# MAKERERE UNIVERSITY

**FINANCING OF CHURCH-FOUNDED SECONDARY SCHOOLS IN UGANDA AND ITS IMPLICATIONS FOR THEIR SCHOOL EFFECTIVENESS: A CASE OF KAMPALA ARCHDIOCESE, MUKONO AND NAMIREMBE DIOCESES**

**BY**

**MATHIAS KIRYOWA**

**BA. Arts (Mak); PGDE (Mak); M.Ed (Mak)**

**A THESIS SUBMITTED TO THE COLLEGE OF EDUCATION AND EXTERNAL STUDIES IN FULFILLMENTS OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF DOCTOR OF PHILOSOPHY OF MAKERERE UNIVERSITY**

**FEBRUARY 2022**

## DECLARATION

This dissertation entitled '*Financing of Church-founded secondary schools in Uganda and its implications for their school effectiveness: A case of Kampala Archdiocese, Mukono and Namirembe dioceses'*, is my original piece of work and has never been submitted for any award of a degree in this or any other university.

**SIGNATURE** _____ **DATE** 10/03/2022

**MATHIAS KIRYOWA**
**REG: No.** 2012/HD04/18403U

## APPROVAL

This thesis entitled '*Financing of Church-founded secondary schools in Uganda and its implications for their school effectiveness: A case of Kampala Archdiocese, Mukono and Namirembe dioceses*', has been submitted to Makerere University Directorate of Research and graduate training, with my approval as the Supervisor for Mr. Mathias Kiryowa, for the award of a Degree of Doctor of Philosophy of Makerere University.

**SIGNATURE** _____ **DATE** 10-03-22

**Professor Anthony Mugagga Muwagga**
College of Education and External Studies
Makerere University

**SIGNATURE** _____ **DATE** 10/03/22.

**Dr. Wycliffe Scot Wafula**
College of Education and External Studies
Department of Educational Foundations
Makerere University

## DEDICATION

I dedicate my dissertation to my family and many friends. First and foremost, to my sister - Perpetua, my wife - Florence and my children; Don, Ben and Bern, for making my academic life worth living during the long years I have been pursuing the course. To my Sister, Predicanda Nalwanga (RIP), who initiated me to education at a tender age, and Mr. Peregrine Kagimu, who taught me the value of school and hard work, I will never forget you! I also dedicate this work to my special comrades; Oliva Claire, Richard and many friends and Church-choir family for all the support and advice throughout the process. To all of you, your kind guidance and love have always taught me to work harder for the things I aspire to achieve.

## ACKNOWLEDGEMENTS

The course of study which this thesis has climaxed has been a winding and cumbersome undertaking. Nevertheless, the long years of tireless and exerted efforts have been eventually rendered fruitful by the kind support of key entities and individuals, whom I cannot help mentioning and showing my gratitude.

I would like to greatly extend my sincere gratitude to, first and foremost, the Catholic Scholarship Program (CSP) of Uganda and its large-hearted benefactors, for their unfailing financial support throughout this journey. I am also indebted to my Organisation, Kulika Uganda for the permission I was accorded to undertake this study. I thank my supervisors; Prof. Anthony Mugagga Muwagga and Dr. Wycliffe Scot Wafula for their professional guidance, tolerance and academic inputs in regard to the preparation of this thesis. My other sincere thanks go to Mr. Dennis Sebabi, a professional friend, who has assisted me in many ways throughout the process of writing this fine work. I heartily thank Dr. Jude Sempuuma, a great family friend who has always encouraged assisted me professionally, financially and morally: he indeed made this journey worth for me!

I thank the diocesan Education secretaries for Kampala, Mukono and Namirembe dioceses for their cooperation and recommendation, for me to conduct the study in their schools; they really made this study possible for me to handle. Special thanks also go to my research assistants for enabling me to accomplish a lot within reasonable time. I owe much to my family members and friends for their support and encouragement throughout this study. For all the people who have contributed positively towards accomplishment of this study, I am really grateful and may the good Lord reward you!

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## ABBREVIATIONS AND ACRONYMS

| | | |
|---|---|---|
| AfDB | - | African Development Ban |
| ANOVA | - | Analysis of Variance |
| BOGs | - | Board of Governors |
| BTVET | - | Business, Technical and Vocational Educational Training |
| CFS | - | Child Friendly School |
| CIPP | - | Context, Input, Process, and Product |
| CMS | - | Church Missionary Society |
| COU | - | Church of Uganda |
| DAC | - | Development Assistance Committee |
| DEOs, | - | District Education Officers |
| DIS | - | District Inspector of Schools |
| EFA | - | Education For All |
| EMIS | - | Education Management Information System |
| ESSP | - | Education Sector Strategic Plan |
| FBOs | - | Faith-based Organizations |
| FY | - | Financial Year |
| GDP | - | Gross Domestic Product |
| HFLE | - | Health and Family Life Education |
| IOB | - | Policy and Operations Evaluation Department |
| MDGs | - | Millennium Development Goals |
| MFPED | - | Ministry of Finance Planning and Economic Development |
| MoES | - | Ministry of Education and Sports |
| MTEF | - | Medium Term Expenditure Framework |
| NCDC | - | National Curriculum NCDC Development Center |
| NDP | - | National Development Plan |

| | | |
|---|---|---|
| NGOs | - | Non-Governmental Organisations |
| NPV | - | Net Present Value |
| NSP | - | Non-state provision (of services) |
| OECD | - | Organisation for Economic Cooperation and Development |
| PEAP | - | Poverty Eradication Action Plan |
| PETS | - | Public Expenditure Tracking Survey |
| PTA | - | Parents - Teachers' Association |
| PVOs | - | Private Voluntary Organizations |
| RC | - | Roman Catholic |
| SDGs | - | Sustainable Development Goals |
| SSA | - | Sub-Saharan Africa |
| SWOT | - | Strengths, Weaknesses, Opportunities and Threats |
| TVET | - | Technical, Vocational Education and Training |
| UGX | - | Uganda Shillings |
| UMEA | - | Uganda Muslim Education Association |
| UNCTAD | - | United Nations Centre for Trade and Development |
| UNEB | - | Uganda National Examination Board |
| UNESCO | - | United Nations Educational, Scientific and Cultural Organisation |
| UNICEF | - | United Nations International Children's Emergency Fund |
| UPE | - | Universal Primary Education |
| UPOLET | - | Universal Post 'O' Level Education and Training |
| UPPET | - | Universal Post Primary Education and Training |
| USAID | - | United States Agency for International Development |
| USE | - | Universal Secondary Education |
| VAT | - | Valued Added Tax |

## ABSTRACT

The study examined the financing of church-founded secondary schools in Uganda and its implications for their educational effectiveness using Kampala, Mukono and Namirembe dioceses as case studies. It answered questionsons about; the sources of financing, financial resource allocation modalities, and the possible alternative financing mechanisms that can be adopted by church-founded secondary schools in Uganda. The study was underpinned by Von Bertalanffy in (1959) & Armstrong, (2009) systems theory. The systems theory was complimented by Rutter's (1979) school effectiveness model and the implied human capital theory. The model provides parameters for measuring school effectiveness namely: the quality/nature of; school facilities and equipment's, implicit and explicit financial support, qualified teaching and non-teaching staff, school leadership, school climate, the financial allocations to learning activities and experiences. The study adopted a cross-sectional survey design which enabled the utilisation of both quantitative and qualitative research approaches. The study population and samples were drawn from the secondary school stakeholders in the three denominational ecclesiastical provinces of Kampala, Namirembe and Mukono dioceses, selected using simple random and purposive sampling techniques. The study used the self-administered questionnaires, interview guides and group interview guides to gather the sought data. The following revelations and conclusions were drawn: It was revealed that the key sources of income for most church-founded secondary schools in Kampala, Mukono and Namirembe dioceses includes: government subvention funds, students' tuition and donations from church secured donors. It was also revealed that most of the income of the go to: staff salaries, welfare and remuneration. Another go to tithe, government taxes and purchase of scholastic materials and financing of the school recurrent costs. It was also revealed that there are many potential alternative sources of income for the schools: such as: sell of agriculture produce since many of these schools are seated on large pieces of land. The funding models in most of the schools have not been enabling them to effectively carry out their mandates of providing quality academic services and as evangelisation grounds for the respective denominational bodies. The study recommends that whereas there is evidence of past stable sources of income enjoyed by some church-founded schools, there is an imperative for their respective leadership to become more innovative, given the occurrence of educational shocks such as Covid-19 lock down when almost all possible conventional sources of income waned. There is also a need to come up with a model which accommodates saving and purchase of treasury bills which could be sold and the proceeds used in times of adversity.

# CHAPTER ONE

# INTRODUCTION

## 1.0 Introduction

Governments worldwide are challenged with how to expand education opportunities, improve quality and increase equity and access amidst global financial meltdowns characterized by inadequate financial resources (UNESCO, 2014). In the recent decade, international development assistance to education as a share of GDP has greatly fallen. On average, Sub-Saharan governments spent only 1.3% (2005 – 2017) on secondary education UNESCO-UIS (2018). In the same vein, Philanthropic financing of education as a source of secondary education funding also kept on reducing to only 5% of the total aid (Asma & Pauline, 2019).

Since quality education is key to social mobility and can reduce poverty and income inequality (Zipporah, 2018), governments are tasked to invest in quality education to generate skilled workers to enhance the supply of quality goods and services. Efforts have been made by many states to scale up education expenditure, to achieve Millennium Development Goals (MDGs), Education for All (EFA) by 2015 (Al-Samarrai, 2006), and most recently, the Sustainable Development Goals (SDGs). Sustainable Development Goal 4, for instance, advocates for all potential financing streams to be galvanized for global education development (Barrera et al., 2018).

Households in low and lower-middle-income countries spend greater than those in richer economies, as reflected in their share of overall education spending. For instance, in 2018–19, according to World Bank (2021), households in low-income countries accounted for 43 percent of total education spending, compared to only 16 percent for households in high-income countries. In Uganda, despite the fact that quality education is key to social mobility and reduction of poverty and income inequality (Zipporah, 2018), education financing is similarly

experiencing a downward trend in education financing (Senoga, 2019). Schools rely more on parents than government for school financing. Education financing data by UNESCO (2016) Uganda National education Accounts indicate that the government contributes 16% and 11% for lower and upper secondary respectively, while Households contribute 63% and 78% for the same. International agencies contribution stands at 19% and 9%, while locally generated funds by schools were 2% for lower and 2% for upper secondary.

According to the NDP III (2016/17 - 2018/19), the budget allocation to the Education and Sports Sector as a proportion of the total Government of Uganda expenditure, in the past decade, has progressively declined from the all-time high of 24% (FY 2001/02) to 17.3% (FY 2009/10). Resources have again persistently reduced from 14.7% to 10.87 % over the 6-year period 2012/13-2018/2019 (MoES; 2020). The allocation for FY 2019/20 was 2,685.44 billion Ugandan shillings, reducing by 95.6billion Ugandan shillings from the 2,781.13bn approximated budget for FY 2018/2019 (MoFPED, 2020). This may not imply an overall low government priority on education, but low financing.

In a critical manner, though incepted by religious denominational bodies, education in Uganda is presently faced with a serious financing dilemma, whereby the limited resources, coupled with unclear financing mix are grossly impacting on funding of church-founded secondary schools. It is perturbing to find that many budgets for Religious Foundation Bodies are increasingly becoming unable to meet the rapidly enlarging demand for education services. The study delves into examining the salient issues underlying the financing of church founded secondary schools and its implications for school effectiveness in Uganda.

## 1.1 Background to the study

### 1.1.1 Historical background

The early missionaries, especially in the 19th century, are widely considered not only as pioneers but also propagators of formal education; sowing the seed from which the 20th and 21st century church grew. They did extensive evangelistic work and also built schools and education till present (Pillay, 2017). The expansion of formal education in Uganda is closely related to denominational education. It can be traced back to June 1894 when the British took over Uganda as a protectorate. At that time, the schools were set up by denominational sects of the time; the Protestant and Catholic missionaries. The Missions began to establish a formal system of schooling in the 1890s. Each village in Buganda region where the missionaries settled would have, next to the church, a school for elementary instructions. In the subsequent years, the Missions also began to establish "central" or "high" schools for more advanced learning Ssekamwa (1997).

More so, the Anglican Church Missionary Society (CMS), which arrived in Uganda in 1877 and eventually established its headquarters at Namirembe Hill, opened schools such as Mengo High School in 1903, Gayaza Girls' High School in 1905 and King's College Budo in 1906. The Roman Catholic White Fathers, who arrived in 1879, with their headquarters at Rubaga Hill, opened St. Mary's College Rubaga in 1908, which started as a central school to serve the Rubaga Diocese and later in 1923 moved to Kisubi. Other schools included; Leo's Virika founded in 1921, St. Henry's College – Kitovu in 1922 and later on, St. John's Nandere (Kiwanuka & Kasibante, 2001). Ssekamwa (1997) elaborates that the Roman Catholic missionaries and the Church Missionary Society each built schools for their own followers. However, at this early period (1900 – 1920) no schools were established for the children of the Muslim parents; all the early schools were Mission-supported.

Since the Muslims had no 'missionaries', they only had Koranic schools. These could be found within Buganda and the first one was founded in Kibuli in 1914. Muslim secular education started in 1922 supported by the Buganda Lukiiko, which built a primary school (Kiwotoka) in Kibuli, initiating it as the centre of Muslim education. In order to appeal for government funding, the Muslim religious community formed an educational association; the Uganda Muslim Education Association (UMEA), registered in 1940. This effort was spearheaded by Badru Kakungulu, who also donated 80 acres of land - the Kibuli hill, for building of a large Juma mosque and for the location of schools. (The Uganda Society Journal: Vol. 29, No. 2). The responsibility for education of Muslim children was directly under the colonial government through the department of education.

In 1945 the Muslim secondary school education was inaugurated at Kibuli through establishing Kibuli junior secondary school, which later became a senior secondary school in 1960. The Muslim denomination also took charge of their schools, with support from government. After independence (1962), a USAID grant was given for construction of Kibuli as the centre for Muslim education. The other denominations (Protestants and Catholics) also established secretariats (at Namirembe and Rubaga hills respectively) to streamline management of their own schools after the government had taken over their founded schools in 1963 (Ssekamwa 1997).

According to Hansen (1986), mission schools were established in Uganda in the 1890s, and it was not until 1924 that the colonial government established the first secondary school for Africans. By 1950, the government operated only three of the 53 secondary schools (for Africans) of the time. All the Forty-seven (47) schools were operated by religious denominations, while the other three (3) were privately funded. Since then, there is a tradition for parents and students to look to the Church to be providing the best education.

Although the major aim of missionary education in Uganda, from its inception from 1877 to nearly 1925, was to establish Christianity and its practice in the country and to convert as many people as possible to that faith, other aims were secondary (Hostein, 2019). Reading and writing were introduced so that Ugandans could read Bibles, prayer books and books on meditation. Despite the government financial support from 1925 to 1962, the missionaries continued to spend quite a lot of funds on education from their own resources. Christian missionaries also started most of the technical and vocational institutions now owned and funded by the Government. These were originally intended to train craftsmen who would construct churches and schools for the missionaries, as a way of expanding the missionary work in Uganda (Millar, 2008).

More critical to note however is the fact that since the arrival of the missionaries on the Ugandan scene, funding of secondary education has been affected for a variety of areas: teacher salaries, school infrastructure, scholastic materials and extracurricular activities (Senoga, 2017). Though missionary education was aimed at the integral development/progress of a person, they could not envisage that funding contribution of the denominational churches to secondary education would dwindle in about 60 years to come. The fact that the Churches were providing education without government financial assistance did not guarantee their continued independence. Later, in 1976, the Government started participating in education through its financial assistance to the mission schools (‘grant-aid system’) to cover teachers’ salaries, recurrent expenses and contribution towards capital expenses, following the principle of subsidiarity.

According to Ssekamwa (1997), Uganda's education system owes a lot to the selfless devotion of the Protestant and Roman Catholic Missionaries in its formative years and to the pioneers of private schools to a lesser extent. Many Missionaries stretched their financial means to the extent of paying school fees for students of poor and deceased parents. However, after

independence, the new states in Africa had negative attitudes towards the activities of Missionaries. They looked at schools established by missionaries as perpetrating colonialism; hence, these governments tried all they could to limit missionary activity and influence (Tiberondwa, 1998). After independence, the relationship between the church and government in Uganda almost turned sour. The 1963 Education Act was thus passed, indicating express takeover of all denominational schools by the newly independent government. After 1962, however, the then independent government chose to take over the entire missionary grant-aided schools, thus assuming direct responsibility for their financial administration. This acquisitive move locked out Missions - the legitimate 'Foundation Bodies' (Ssekamwa, 1997).

This government action was meant to neutralize the discriminatory syndrome that had started to manifest among particular religious denominational schools, who would admit only children belonging to their faith (Tweddle, 2017). Some parents would, for example, enroll children in particular schools of their religious affiliations regardless the distance children had to walk to school. The education reform sector of 1963-64 left the Church's role in education highly marginalized. Consequently, the government also took over teacher training colleges where the church had officially formed teachers to work in the spirit of service (Kiwanuka & Kasibante, 2001).Then in 1969, the management committee rules entirely excluded the legitimate founders/proprietors of the denominational schools from officially participating in the managerial and administrative affairs of their schools (Muyingo, 1995; Kasibante, 2000). When all this happened, the modification not only tarnished the long relationship between government and the Foundation Bodies, characterized by subsidiarity, but it also marked the beginning of individual founding of schools with a rival and, or commercial motive.

Following the government takeover of Mission schools, funding of the denominational schools from mother headquarters in Europe was curtailed (Ssekamwa, 1997). The government funding of mission-based secondary educational institutions became tied with funding of general

education. Government budget allocations for funding secondary education did not take into account the unique funding mechanisms associated with denomination-based secondary education. In the process, funding relationship between government and foreign sources (for funding denomination-based secondary education) was strained. With time, lack of sufficient funds from government especially for capital projects, teaching materials and equipment gradually handicapped the local church-founded government-aided schools. This disagreement and displeasure gave impetus to the aggrieved churches to start establishing their privately-owned secondary schools (Ssekamwa, 1997). As posited by Kasibante & Kiwanuka (2001), the privately founded schools gained success due to three factors: leadership, philosophy of the founders and school culture. They have been the epitome of good quality education.

Presently, with regard to the founding body, schools founded by Church of Uganda (COU), Roman Catholic Church (RC), Islamic, Parents and Private entrepreneurs (many of whom have religious denominational affiliations), altogether form 84.7% of all secondary schools in Uganda (MoES, 2012). Many of these are the church-founded government aided, private or USE partner secondary schools in question. In contrast with 60 years ago, funding of government-aided secondary schools is no longer adequate. This is true when viewed against the background of the percentage of budgetary allocation to the education sector even when demand for knowledge and skills attainable at this level, has really driven up. The United Nations Educational Scientific and Cultural Organization (UNESCO) prescribed minimum budgetary allocation for education for any developing country to be 26%, which the Uganda government, over the years, has not met (Miles & Zimmerman, 2001).

### 1.1.2 Theoretical Perspective

The study was guided by two theories; The Systems Theory as developed by Von Bertalanffy in 1959 (Von Bertalanffy, 1968; Armstrong, 2009), and Human Capital Theory of school

effectiveness and improvement (Hargreaves, 2001). The Systems Theory posits that organizations/institutions are systems composed of three interrelated parts; inputs, processes and outputs. The theory is quite applicable to schools which it postulates as a system with the inputs include finances, human beings and physical resources while the process related to the transformation stage, where inputs are acted upon to generate quality products (outputs). According to this theory, church-founded secondary schools receive finances from various sources including government, student tuition, projects and donations. In the process, the budgeting for the finances determines the allocations on the various units of the school system. Eventually, this notion guides the extent to which the schools will foster educational effectiveness. What this theory misses is the notion that funding in schools is linear. It argues that once the budgeting is fair and equitably executed basing on priorities and set goals, there will be suitable outputs relating to achievement of positive results by the school system. This will imply effectiveness of the whole system.

Both effectiveness and quality of education systems are currently concepts used to challenge performance of education institutions. As Rutter (2010) advanced school effectiveness models, analyzing school success and failure using only the cognitive outcomes reduced to test results of academic knowledge. Though it has been widely accepted as an important measure of schooling, it has been criticized not to be the only outcome that matters, since an educational theory with exclusive focus on the cognitive aspect is impoverished. Since then, research on school effectiveness has given rise to many of the improvement endeavours to elucidate the notion of quality. Thus, the basic model of school effectiveness from systems theory (Scheerens, 2004) was adopted, and it concentrates around five factors: strong educational leadership, emphasis on acquiring of basic skills, an orderly and secure environment, high expectations of pupil attainment, and frequent assessment of students' progress.

On the other hand, the Human Capital Theory of school effectiveness and improvement by Hargreaves (2001) emanates from the Human capital theory (HCT), which rests on the assumption that formal education is highly instrumental and necessary to improve the productive capacity of a population and institutions. In short, human capital theorists argue that an educated population is a productive population. Human capital theory emphasizes how education increases the productivity and efficiency of workers by increasing the level of cognitive stock of economically productive human capability, which is a product of innate abilities and investment in human beings. The provision of formal education is seen as an investment in human capital, which proponents of the theory have considered as equally or even more worthwhile than that of physical capital (Woodhall, 2001, cited in; Alani, 2018). Human Capital Theory (HCT) concludes that investment in human capital will lead to greater economic outputs however the validity of the theory is sometimes hard to prove and contradictory. In the past, economic strength was largely dependent on tangible physical assets such as land, factories and equipment. Labour was a necessary component, but increases in the value of the business came from investment in capital equipment. Modern economists seem to concur that education and health care are the key to improving human capital and ultimately increasing the economic outputs of the nation (Becker 2017).

The strength of HCT cannot be ignored as it provides a useful lens for understanding how policy can be developed to incentivize individuals' investment in their own education. Pursuing education involves both costs (e.g., forgoing potential earnings in the present) and benefits (e.g., higher wages in the future) at the individual level. By using HCT to understand what these costs and benefits are, policymakers can more effectively develop policies such as student loan and dual enrolment programs to change individuals' cost/benefit calculations (e.g., by reducing short-term costs associated with educational investments) and increase their likelihood of pursuing education. HCT can also be used to answer questions about the optimal levels of

individual/social investments in education, the kinds (e.g., quality) of investments that are most productive, and when the investments are best made. It is also useful for answering questions about the costs and benefits for individual investments in education and the types of policy interventions that reduce individual costs associated with educational investments.

However, HCT is limited in a way that it assumes education increases productivity in the workplace, resulting in higher individual wages, but it provides little insight into the processes through which education and training are translated into higher wages (Becker, 2016). In statistical models, education and training account for about 30 percent of the variance in individual wages, which suggests HCT leaves a significant percentage of wage variability unexplained. A variety of "middle range" theories (e.g., screening and credentialism) attempt to explain the other 70 percent of individual wage variability, and some of these theories examine the relationship between educational credentials (e.g., a bachelor's degree) and earnings (Eddie, 2018). These "middle range" theories focus on the social and cultural contexts in which employment decisions are made and suggest numerous factors besides productivity (e.g., cultural and social capital) are involved in the relationship between education and higher wages (Atton, 2017). It is thus critical for policymakers to consider alternative frameworks in conjunction with HCT to more fully understand the relationship between education and private economic returns such a higher wage. Relatedly, upper-level applications of HCT (e.g., at the national or state levels) treat education as a relatively homogenous input (Scrumble, 2019). These applications assume that higher levels of educational attainment and quality will yield greater productivity and wages across the board. Such treatment of education is problematic because the process of human capital formation varies for individuals and groups. People learn differently, and a "quality" education in one context may prove ineffective in another. The investments required to achieve a desired outcome in urban schools are necessarily different from those in suburban districts because of the unique characteristics of their student

populations. It is thus incumbent upon policymakers to consider the context dependency of human capital investments to ensure efficient allocation of resources and effective policy interventions at the national and state levels.

### 1.1.3 The Conceptual Perspective

In the competitive world of work, effective provision of secondary education is central to development, for it gives the population an opportunity to acquire high level insights and competencies (Lewin & Caillods, 2016). Secondary education, in particular, is a level for learners between the ages of 11/12 and 18, forming the amorphous zone that lies between basic education and higher education (UNESCO, 2014). It is at this level that most learners identify their career goals, and start to specialize for future professions (Ojijo, 2015).

According to Xiaoyan (2001), secondary education, includes lower and upper formal secondary schooling also known as post-primary school. It also comprises vocational training and other regularly available non-formal education programs at that level. The secondary school level is a crucial stage in the education system since here, future higher education students are trained, and employable skills are attained. At this stage, students enter as children and leave as young adults. Youngsters consolidate their basic primary school knowledge here, acquiring common culture to make them useful citizens. Students build their experience and experiments through learning of essential subjects such as science, health and technical education for the first time formally. It is the level where youths learn how to think, how to be, how to work and how to cooperate with others (Lewin & Caillods, 2016).

Church-founded schools are formal and non-formal centers for inculcation of knowledge, skills, values, attitudes and behaviors through educational institutions or schools founded and administered by denomination-based organizations or religious nongovernmental organizations. Though these institutions are popular, they are not peculiar providers of education, which has

been claimed by their provision of religious values which they purport to be explicit characteristics of (1) affiliation with a religious body, (2) a mission statement with explicit reference to religious values, (3) financial support from religious sources, and/or (4) a governance structure where selection of board members of staff is based on religious affiliation and where decision-making is based on religious values of churches, temples and mosques (Bouta et al., 2005). They are also not different in nature. However, this no to undercut their importance.

The church-founded secondary schools in the study widely include government-dependent secondary schools; those that receive more than 50% of their core funding from government and, or their teaching staff are paid by government or government agency directly or indirectly. The study also relates to the church-founded independent/private secondary schools – which receive less than 50% or none of their core funding from government or government agency, as elaborated by UNESCO (2018).

Education, as defined by the World Book Encyclopedia (1992), is the process by which people acquire knowledge, skills, habits, values and attitudes. It emphasizes that education should help people to become more useful members of society; to develop an appreciation of their cultural heritage and live more satisfying lives. According to Gichuhi (2015), investing in human capital has both economic and non-economic gains. Education overtly impacts on development as investment in it is associated with higher rate of return for individuals, increasing their net gain and general wealth (OECD, 2011a). Its attainment is globally purported to reduce income inequality among people and societies (OECD, 2012), while its improved access attracts social benefits in health, nutrition, fertility and gender equity amongst trainees (Onarheim et al, 2016).

The key variables guiding this study were: financing and educational effectiveness of church-founded secondary schools. The question, ‘how to design or streamline financing systems to

ensure that all schools achieve their set-goals' and that funds are raised and utilised in the most strategic manner to foster educational effectiveness, is central to the study. Financing disparities evident at different levels in the education system in Uganda imply unrevealed and unshared patterns regarding sources, management or utilization of the finances. The researcher extrapolates individual school financing challenges vis-à-vis their purported and prevailing remedies, to address their funding capacities and financial backing to ensure smooth implementation of school programs.

Educational effectiveness and quality are concepts used synonymously in this study to mean; the degree in which an education system and its components/stakeholders achieve specific desired goals (Burušić et al., 2016). According to Hawes & Stephen (1990), they relate to attainment of the set goals, appropriateness of an institution for human and environmental circumstances and its potential to strive for excellence. An effective school relates to a well-functioning and planned institution that will gear up expected outcomes of education through attainment of the set-goals. These include; social, political and economic emancipation, effective teaching and learning process, and a secure and caring environment to stakeholders, which contributes to academic performance (Gilbert & Magulod, 2017).

Educational effectiveness is the measure of 'quality' of outcomes being achieved by the school system (Woodhouse, 2001). An effective school system, thus, is one which will build on knowledge and skills to broaden competences and enhance future employment opportunities for the learners that go through it. Ensuring educational quality or effectiveness of a particular school demands that there are clearly observable educational outputs/products as well as achieved outcomes/goals (Marcia et al., 2013).

For a long time, the Church's perspective of an 'effective school' was the distinctive religious dimension in terms of; the educational climate, the personal development of each student, the

established relationship between culture and the Gospel, and the illumination of all knowledge with the light of faith (Baum, 1988). However, the contemporary notion implies a school which will build on teaching and learning (knowledge and skills) to broaden competences and enhance future employment opportunities for those that go through it (Preston et al., 2017). Therefore, assessing the effectiveness of church-founded secondary schools against their financing situation inherently involved examining educational outputs, achievement and added value or improvement at school, classroom and individual student levels.

According to UNICEF (2014) such environment should be branded by; personalized learning, strong teacher-students' relationships, positive behavior supports, development of life-skills and parental involvement. These combine together to form the school's intellectual capital; the sum of knowledge and experiences of the school's stakeholders that they could harness to achieve the school's goals and objectives (Hargreaves, 2001). An effective school, as advanced by Hargreaves (2001), is one that can mobilise its intellectual capital (its capacity to create and transfer knowledge) as well as its social capital (its capacity to generate trust and sustain networks) to achieve the desired educational outcomes of intellectual and moral excellences, through the successful use of high leverage strategies that are grounded in evidence-informed and innovative professional practice. Basing on some qualitative criteria, the educational effectiveness indicators of church-founded secondary schools in the study particularly involved the following; School leadership, safe and orderly learning environment, and nature of facilities, equipment and instructional materials.

### 1.1.4 Study Context

Given the increased social pressure to expand education quality at various levels, the United Nations Educational Scientific and Cultural Organization (UNESCO) prescribed minimum budgetary allocation for education for any developing country to be 26%, which the Uganda government, over the years, has not met (Miles & Zimmerman, 2001). Out of the 4.3 million

children of secondary school age (11 – 17years) in Uganda, only 24%; a total of 1.6 million students (S.1 – S.6) are enrolled in school (UBOS, 2017). These secondary schools are managed by either government (646,000 learners or 41%) or independently/privately managed (874,000 learners or 59%) by individual owners, community, organisations or religious denominations (Barrera et al., 2016). Some of the private schools are partly financed by the government, such as those in the Public Private Partnership (PPP) arrangement with government in the implementation of the Universal Secondary Education (USE). These comprise 470,000 or 28% of the total secondary enrolment (Barrera et al., 2016). Regardless the classification, their products (graduates) are always absorbed by the same labour market within and outside Uganda or proceed to universities or other tertiary institutions, on completion (MoES, 2013).

As posited by Chimombo (2010, cited in Asma & Pauline, 2019), community secondary schools are inadequately financed by government, and hence fail to ensure minimum quality of secondary education. Firstly, they are mostly attended by disadvantaged children from poor households who cannot afford high tuition. So, many children (54%) in such schools in Uganda even fail to complete their lower secondary cycle. The traditional dependence syndrome on government grants and tuition fees payment are predominantly the thriving mechanisms of secondary school financing in Uganda.

For a long time, the Church has founded schools with a core objective to educate students basing on the mission of evangelization (Baccari, 2018). The church-founded schools are either private or government-aided schools, and typically attended by learners from poor backgrounds. However, the financing and subsequent quality issues in these schools are more pronounced and complicated than elsewhere. The MoES (2017) survey declares the Foundation Bodies of secondary schools in Uganda as: Church of Uganda (COU), Roman Catholic Church (RC), Islamic, Parents & Private entrepreneurs (most of whom have some religious denominational

affiliation) altogether formed 84.7% total number of secondary schools. Out of these; 32.2% were founded by Private Entrepreneurs, 15.8% - by Church of Uganda (COU), 14% - by Parents, and 16.8% were founded by the Roman Catholic Church. The major financing avenue for them was through the fees collected from parents. With no regulation of these dues and guidelines, many institutions may end up exaggerating the fees.

Many of the Church-founded Secondary schools in both the Catholic and Protestant dioceses in the study still grapple with over-dependence on the inadequate tuition and government aid, defining them as resource-strained institutions. Factors that explicate this dilemma in both government and privately owned schools include the nation-widespread poverty that is also rife in the study area. Uganda's National Poverty Assessment Report (2016) indicates that post primary education and training is prohibitively expensive and therefore, inaccessible for many learners who would otherwise attend Secondary Schools or Technical, Vocational Education and Training (TVET) institutions. In an effort to address the problem of inaccessibility of post primary education and training, in February 2007 Uganda introduced the Universal Post Primary Education and Training (UPPET) Program. However, even with this, a small percentage of secondary schools is catered for in terms of teacher salary facilitation, building projects and students' welfare support. Amidst all these challenges, the majority of church-founded schools have to resort to financing of individual parents and well-wishers.

Although church-founded schools are up to today well-known to be ideal centres for formal and non-formal inculcation of knowledge, skills, values, attitudes and upright moral behaviors (Bouta et al., 2005), over 65.3% of these secondary schools in Uganda are grossly affected by financing deficiencies that allegedly compromise their performance. This situation requires their founders to make conscious strategies towards rejuvenating their educational effectiveness and quality of their services. Despite the perennial delay of remittances, government capitation

grants remain inadequate to help the church founded schools out of their financing quagmire (Kamugisha, 2019). With the Universal Secondary Education (USE) financing programme, the government sends UGX 41,000 to government schools and UGX 47,000 to USE implementing private schools for each student quarterly. This funding is also characterised by chronic delays before it reached its intended recipients. Averagely, government budgets Shs 450 per student per day, which is highly insufficient (Kamugisha, 2019). Over 46.7% of church funded secondary schools are affected by such meagre government budget (MoES, 2017). More adversely, tuition payment is marred by a high defaulting rate of 38.1% per school term (Catholic Secretariat Report, 2018). This is coupled with fees negotiation between parents and school head teachers. A few elitist church-founded schools (28.4%) charge exorbitant school fees that are prohibitive to students from low or average income-households (Catholic Secretariat Report, 2018). With prevailing situation, assessing the effectiveness of church-founded secondary schools against their financing conundrum, therefore, involves examining how the capacity of the schools to strategically employ winning financing strategies that can harness the available sources, use proper financing allocation modalities and alternative financing mechanisms becomes critical.

### 1.2 Statement of the problem

Although the church in Uganda as an institution is renown to be the pioneer and propagator of education (Sekamwa, 1997; Senoga, 2018: Hostein, 2019), 65.4% of its founded schools are nevertheless inadequately financed. This is exemplified by dilapidated infrastructure and ineffectual instruction (Asma and Pauline, 2019). Besides school financing being a national predicament (Senoga, 2018), the plight is more pronounced to church-founded schools, which pioneered and propagated education in Uganda. Their non-operational financing systems and subsidiarity with government have led to funding inadequacies, compromising their potential to deliver quality services and realise anticipated outcomes (Muyingo, 2015). Over 57.1% of the

church-founded schools have become over-dependent on traditional government grant releases that are in themselves not enough (MoES, 2017). This phenomenon is experienced by both the government-aided and private church-founded secondary schools, raising the question of which implications the financing inadequacy may have on the school effectiveness. The quest for sources of financing, financial resource allocation modalities and sustainable financing mechanisms as coping strategies capable of ensuring the effectiveness of church-funded secondary schools in providing educational services has so far been in vain. The church as the foundation body for its secondary schools hence ought to contrive strategic alternative mechanisms to overcome the dilemma confronting her schools.

### 1.3 Study Purpose

The purpose of this study was to examine the financing of church-founded secondary schools and its implications on the schools' effectiveness in Uganda.

### 1.4 Study Objectives

The study aimed at achieving the following specific objectives:

1. To establish the sources of financing of church-founded secondary schools and its implications on schools' effectiveness in Uganda.
2. To ascertain the financial resource allocation modalities for church-founded secondary schools in Uganda.
3. To examine the alternative financing mechanisms of church-founded secondary schools and its implications on schools' effectiveness in Uganda.

## 1.5 Research questions

1. What are the sources of financing church-founded secondary schools and its implications on schools' effectiveness in Uganda?
2. What are the financial resource allocation modalities in church-founded secondary schools and its implications on schools' effectiveness in Uganda?
3. What are the alternative financing mechanisms for church-founded secondary schools and its implications on schools' effectiveness in Uganda?

## 1.6 Research Hypothesis

The study was guided by the following hypotheses:

$H_1$ There is a positive significant relationship between sources of financing and school effectiveness of church-founded secondary schools in Uganda.

$H_2$ There is a positive significant relationship between financial resource allocation modalities and school effectiveness of church-founded secondary schools in Uganda.

$H_3$ There is a positive significant relationship between alternative financing mechanisms and school effectiveness of church-founded secondary schools in Uganda.

## 1.7 Scope

The study was carried out in church-founded secondary schools in Kampala Catholic Archdiocese, Mukono and Namirembe Anglican dioceses; all located in the central metropolitan region of Uganda. This area is home to all the two pioneer Christian denominations in Uganda, namely; Roman Catholic and Anglican Churches. Their education headquarters/secretariats and some of the most outstanding schools are also found in the area. The centers include; Rubaga, Namirembe and Mukono, for Catholics and Protestants respectively. The Catholic Archdiocese of Kampala, founded in 1883 by the Holy See, is the largest of the three dioceses with 45

Catholic church-founded secondary schools. Namirembe diocese was the first diocese of the Church of Uganda to be founded in Uganda in 1890, and presently has over 15 church-founded secondary schools, while Mukono diocese, curved from Namirembe diocese in 1984, owns 11 church-founded secondary schools (MoES, 2017). The variables in the study relate to education financing in church-founded secondary schools; sources, outsourcing and administration as well as expending of funds. The study investigated the sources of funding (equity and debt) and strategies for mobilising financial resources, general financial management and allocation practices and methods of alternative financing for denomination-based secondary schools. The dependent variable (school effectiveness) was treated in relation to educational quality vis-à-vis educational resources their outsourcing and allocation. The school effectiveness was conceptualized through Achieving of targets, achievement of objectives, student performance, customer satisfaction, orderly and secure environment, strong educational leadership and basic skills acquisition.

### 1.8 Significance

1. Through the comprehensive exploration of this study on financing of church-founded secondary schools in Uganda, education policy makers, planning and implementation units will be informed on how to diversify sources of school financing and break overdependence on traditional forms such as government subventions and tuition. Moreover, this research will elucidate to Church Foundation Bodies how to innovatively nurture and sustain the available sources of financing their schools. It is hoped that the study would be beneficial in the following ways and to the following stakeholders:

i. Denomination-based and church-founded school administration in Uganda, since they are doing the work of effecting education provision in the country alongside government, for the findings focus on school financing aspects and coping mechanism.

ii. Parents, benefactors and funding organizations and members of the public – on how to meet the cost of education in partnership with the government.

2. In this regard, this study will give awareness to schools leaderships especially in church-founded schools on how to seek alternative financing mechanisms to improve their school effectiveness. This strategy might affect their current mentality and general outlook of a school system as a source of earning, but as a venture to market out, network through various stakeholders to generate substantial financial resources using different funding mixes. This will restore the past glory of church-founded schools in Uganda.

3. In addition to this, the overview presented in this study will push for new paradigms for school administrators as they allocate financial resources, to always considered cost-effectiveness of programs and equitability in financial decision-making. It will be useful for them to bear in mind the systems approach, where inputs, processes and outcomes need to be prioritized while allocating finances. Best financial management systems and practices recommended in the findings also need to be adhered to. The findings from this study will also benefit the denominational education secretariats and staff that plan the day-to-day affairs of secondary schools to contrive creative alternative financing methods for their schools to be more resourceful, to lead to their improvement in quality and effectiveness.

# CHAPTER TWO

# LITERATURE REVIEW

## 2.0 Introduction

In this chapter, an attempt to review the existing relevant literature on education financing, in light of declining financial resources available for education, is done. The researcher endeavors to make out the research gaps, which ought to be filled up as a matter of this study. In addition, basing on the theoretical review and the conceptual framework, the study is thus given proper direction and focus.

## 2.1 Theoretical Review

Education in general is regarded as an investment from an economic point of view. Individuals, and governments, on behalf of societies, allocate resources in return for immediate and long-term pecuniary and non-pecuniary benefits. Economists have compared investment in education with that of physical projects and, therefore, have used similar methods and tools to identify and measure the return to this investment (Marenbach, 1973; Psacharopoulos, 1994; Carnoy and Marenbach, 1975; Williams and Gordon, 1981).

In this investment process, direct and indirect expenses are sacrificed by individuals; parents, students and governments. Direct expenses are the sum of expenditures allocated to education, whereas indirect costs are the productions foregone during years of education. It is expected that education improves the level of skills and knowledge which are regarded as essential elements to increase the level of productivity. This in turn leads to higher lifetime earnings for the individual and to the increase of overall national productivity and economic growth. These are described as the pecuniary or tangible benefits of education, which can be identified and measured in monetary terms. However, there are many non-pecuniary or intangible private and public benefits that are difficult to identify and measure and which

might constitute a large portion of educational benefits. The most popular examples of these benefits are the consumption values of education and the externality and spill-over benefits that accrue to individuals and societies in the short and long-terms.

### 2.1.1 Systems Theory

In consideration of the above theories, this study is guided by the systems theory, developed by Von Bertalanffy in 1959 (Armstrong, 2009). The theory stipulates those organizations/ institutions are systems composed of three interrelated parts; the inputs, process and outputs. The inputs include finances, human beings and physical resources while the process is the transformation stage where inputs are acted upon to result into quality products. Hence according to this theory, church owned secondary schools receive finances from various sources including government, parents/student tuition, endowments/projects and benefactors/donations. In the process, the budgeting for these finances allocations on the various units determines the extent to which the particular schools are effective. Once the budgeting is fair and well done basing on priority needs, there is a possibility of these schools being effective in their operations reflected in their achievement of positive results.In this era of increasing demand for education and educational reforms that are both scientifically based and cost-effective, educators are faced with a question of how to do more with less funding and yet provide tangible evidence of the effectiveness of educational systems.

One of the limitations of the theory is that it assumes all variables have an equal impact and control on the system, which may not be the case in regard to educational institutions, where some variables such as financial resources tend to override other variables. The Cost-benefit analysis, therefore has become an important decision-making tool in managing schools. Of all the techniques of investment appraisal which in recent years have been applied to the public sector, none has attracted more attention than cost-benefit analysis (Blaug, 1970). In this era of

government downsizing and streamlining education budgets, educators are lobbying for additional funds and materials to enhance adequacy, efficiency, equity and students' performance in education provision. Hummel-Rossi and Ashdown (2002) present a compelling rationale for the increased use of cost analysis strategies. The systems theory also ignores the important aspects of human systems as well as the interconnections and inter-relationships within constituent subsystems (Morgan, 2005). In practice, the school system operations base firmly on the endeavours of, for example, the school leadership, who man the day-to-day affairs of the institutions, let alone the financing aspects including allocation of the scarce financial resources. The current study thus is cognizant of the schools administration and staff as key stakeholders. The others such as governing committees are also components that determine the success of goal-achievements. Therefore, developing countries like Uganda ought to continue using the role of individuals and society as a vehicle of educational quality and effectiveness.

### 2.1.2 Human Capital Theory

The Human capital theory (HCT) rests on the assumption that formal education is highly is highly instrumental and necessary to improve the productive capacity of a population. In short, human capital theorists argue that an educated population is a productive population. Human capital theory emphasizes how education increases the productivity and efficiency of workers by increasing the level of cognitive stock of economically productive human capability, which is a product of innate abilities and investment in human beings. The provision of formal education is seen as an investment in human capital, which proponents of the theory have considered as equally or even more worthwhile than that of physical capital (Woodhall, 2001). Human Capital Theory (HCT) concludes that investment in human capital will lead to greater economic outputs however the validity of the theory is sometimes hard to prove and contradictory. In the past, economic strength was largely dependent on tangible physical assets such as land, factories and equipment. Labour was a necessary component, but increases in the value of the business came

from investment in capital equipment. Modern economists seem to concur that education and health care are the key to improving human capital and ultimately increasing the economic outputs of the nation (Becker 2017).

The strength of HCT cannot be ignored. A sit provides a useful lens for understanding how policy can be developed to incentivize individuals' investment in their own education. Pursuing education involves both costs (e.g., forgoing potential earnings in the present) and benefits (e.g., higher wages in the future) at the individual level. By using HCT to understand what these costs and benefits are, policymakers can more effectively develop policies such as student loan and dual enrolment programs to change individuals' cost/benefit calculations (e.g., by reducing short-term costs associated with educational investments) and increase their likelihood of pursuing education. HCT can also be used to answer questions about the optimal levels of individual/social investments in education, the kinds (e.g., quality) of investments that are most productive, and when the investments are best made. It is also useful for answering questions about the costs and benefits for individual investments in education and the types of policy interventions that reduce individual costs associated with educational investments.

However, HCT is limited in a way that it assumes education increases productivity in the workplace, resulting in higher individual wages, but it provides little insight into the processes through which education and training are translated into higher wages (Becker, 2016). In statistical models, education and training account for about 30 percent of the variance in individual wages, which suggests HCT leaves a significant percentage of wage variability unexplained. A variety of "middle range" theories (e.g., screening and credentialism) attempt to explain the other 70 percent of individual wage variability, and some of these theories examine the relationship between educational credentials (e.g., a bachelor's degree) and earnings (Eddie, 2018). These "middle range" theories focus on the social and cultural contexts in which employment decisions are made and suggest numerous factors besides productivity (e.g.,

cultural and social capital) are involved in the relationship between education and higher wages (Atton, 2017).

It is thus critical for policymakers to consider alternative frameworks in conjunction with HCT to more fully understand the relationship between education and private economic returns such a higher wage. Relatedly, upper-level applications of HCT (e.g., at the national or state levels) treat education as a relatively homogenous input (Scrumble, 2019). These applications assume that higher levels of educational attainment and quality will yield greater productivity and wages across the board. Such treatment of education is problematic because the process of human capital formation varies for individuals and groups. People learn differently, and a "quality" education in one context may prove ineffective in another. The investments required to achieve a desired outcome in urban schools are necessarily different from those in suburban districts because of the unique characteristics of their student populations. It is thus incumbent upon policymakers to consider the context dependency of human capital investments to ensure efficient allocation of resources and effective policy interventions at the national and state levels.

Radelet and Lindauer (2006) illustrate the benefits and costs of investing in an additional year of education beyond the primary level where by; private benefit of investing in another year of study is the gain in earnings for the rest of a person's working life. The private cost will include any fees or direct costs that the individual pays plus the opportunity cost. As these values occur over time, they must be discounted to the present. The Net Present Value (NPV) thus becomes the difference between the discounted values of the net present streams of benefits and costs. Any rational investor – in this case a student or their family will undertake the investment such as an additional level of schooling, if the net present value is positive. Another criterion would be to calculate the internal rate of return and compare it with the returns from alternative investments (Jimenez, 2008). In addition, as education policymakers and administrators are

increasingly confronted with dwindling financial resources, they also would need to determine which programs and policies would give them the biggest return on their investments in education. As noted earlier in the educational financial decision-making models (Kraujutaityt, 2002), budget allocations for education programs ought to be concerted and heedful.

**2.2 Figure 1: Conceptual framework**

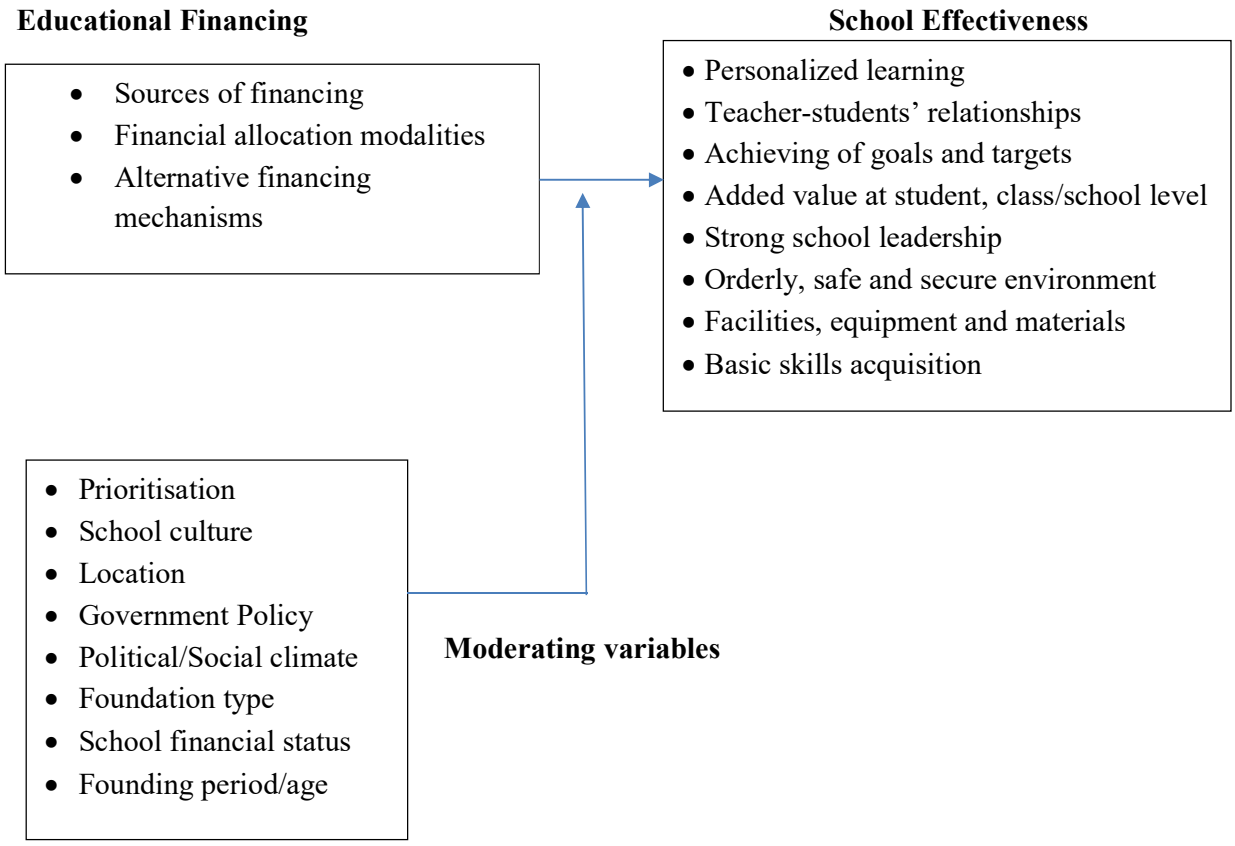



*Figure 2: Financing mix and effectiveness of church-founded secondary schools.*
*Source: Tumen, (2013).*

The conceptual framework shows various financing sources; government, tuition, grants, donations and internal money generating projects. Once these finances are properly budgeted for through team consultations, fair allocations, there is a possibility for schools to be effective in their operations, as reflected in; educational outputs such as; Personalized learning, teacher-

students' relationships, achievement of targets, achievement of objectives and added value/improvement at student, class or school level. Orderly, safe and secure environment, facilities, equipment and materials are also other school effectiveness indicators in question. With these, school operations are streamlined, while failure to have adequate financial sources will mean that the reverse is true. The interventions such as school cultures, type of school foundation, government policy as well as political climate will influence the level of achievement of school effectiveness.

### 2.3 Review of Related Literature

There is an extensive literature demonstrating linkages between investment in education and training, and desirable development outcomes. Well-known studies relate economic growth to educational investment dating from the 1960s exist, as well as more recent literature correlate levels of education with improved productivity in agriculture and industry under particular conditions. Likewise, varied literature has been published depicting how governments and other bodies around the world are re-examining the question of education financing, particularly at the secondary level. As it is depicted herein, the challenges encompass growing economic problems, donor pressure and increasing pressure on public funds, combined with continued private demand for secondary education amidst dwindling financial resources.

While governments are the largest funders of education in all income groups, the direct contribution of households to education spending tends to be greater in poorer countries (World Bank, 2021). In 2018–19, for instance, households in high-income countries globally accounted for only 16 percent of total education spending compared to 38 percent in low-income countries on the whole.

Akindele (2013) illustrates the plight secondary schools are marred by; insufficient funding, inadequate and decay of infrastructure, low quality teachers, low quality intake and poor performance of students as well as incidences of wastage (school dropout and repetition of classes). The study was conducted on public schools, while this current study is conducted in church-founded secondary schools. Here other impediments that include; inappropriate curriculum, prevalence of examination malpractices and ineffectiveness of school administrators with laissez-faire attitude exist. All these undermine the churches' original motive of 'educating the whole person' or 'educating the mind, body and soul; intellectually, spiritually and ethically (Manning, 2014).

### 2.3.1 Non-state provision of education

Non-state providers (NSP) of education services may be; communities, NGOs, FBOs (faith-based organizations), private companies, small-scale informal providers and individual practitioners. In most respects the benefits of education accrue to individuals rather than to the collectivity. In that sense this is a private good which may not be provided by the market. The providers of education can exclude non-payers and the consumers can capture the benefits for themselves in terms of the development of their human capital: better employment opportunities, income and fulfilment.

First, education has 'merit goods' characteristics (Musgrave, Richard A., 1998): without command, guidance or support, individuals may make wrong judgments about the value of education for their children. Second, they may not have the information or competence to make judgments about the quality of education providers. Third, they may not have the capacity to pay: there is usually a 'missing market' in credit to allow individuals to invest in the future benefits of education. Fourthly, education is a public good in the sense that it

provides some benefits to the wider population that would not be captured if consumers were left to make private decisions. Society has a stake in the citizen-building or nation-building aspect of education. Also common standards that allow the screening and scaling of educational performance could not exist without some non-market intervention in establishing a common syllabus and examination system.

These provide the formal arguments for government (or public/civil society) intervention. However, this does not mean that the intervention must be by direct provision; there is wide evidence of government failure to provide efficient and responsive public services (World Bank 2014). The intervention may be by managing the market, intervening indirectly to ensure public interest outcomes or contracting non-state providers. As in the case of the health sector, but probably less strongly, intervention in education presents some particular difficulties that affect the capacity of principals (citizens, clients or policy-makers) to control the providers:

*It is difficult for the principals to know whether the provider has performed well. Education services are qualitative and therefore difficult to measure, although there are clearer possible input and output measures than in the case of health.

*The clients are indirect (children not parents) and relatively powerless. However, parents are more able to organize locally and are probably less vulnerable to the pressures of providers, if they do so, than in the case of health care.

*Formal (public or private sector) providers are informed, organized (in unions or professional organizations) and often with strong political influence.

Much reform proposes the clarification of the relationship between client and provider by giving schools more autonomy from government and making them more directly accountable

to clients through the payment of fees and/or through parental or community control (World Bank 2020). This can be achieved within the public sector but non-state provision may seem to make the relationships clearer. However, defining the non-state sector is not straightforward, given the different possible permutations of public and private responsibilities for service provision, financing and regulation, and therefore the complexities of distinguishing between private and public sphere (Rose (2005a); Bray 1999). Even where schools are owned and managed by non-state providers, they are often subsidized by the state paying the costs and exercising the functions of curriculum development, inspection, examination and teacher training. In some instances, the state may also contribute towards the payment of teachers' salaries in non-state schools.

In most cases, the state attempts to maintain some control over all education institutions (both state and non-state) through their regulation, although the extent to which this is possible varies (Rose (2005a). On the other hand, state education in some countries relies heavily on household contributions, and those contributions can be of the same order as fees charged by non-state institutions (Bray 1999). Furthermore, voucher systems may provide state resources for children to attend non-state schools and, within state education institutions, there may be contracting-out to private organizations of some aspects of the service.

Schools established (but not necessarily financed) by communities are sometimes classified within non-state provision, such as those that operate through residential, distance or mixed mode provision. Moreover, teachers employed in state schools may work as private tutors outside school hours, supplementing free provision of education for those who can afford it (Bray 1999); the boundaries between state and non-state provision are often blurred.

### 2.3.2 Faith-based Schools

Tietjen (2000) writes that religion has always played 'major and multiple roles in education and schooling, as provider, legitimiser and policy broker, influencing national educational policies, curriculum and finance'. In most parts of the world, religious bodies are the significant providers of primary education and in some countries with an official state religion, such as Bhutan, Brunei, Mauritania, the church and state converge with every school offering religious instruction and supported by public resources. Islamic schools are omnipresent through the Muslim world, as are Christian schools in former European colonies. However, the World Bank (2003) points out that most of the shifts to private education in Pakistan are to non-religious schools. Islamic schools account for only 1 percent of urban students. Mission schools are the major providers of primary and secondary education in Africa. In Malawi, for example, Faith-based Organizations (FBOs) provide education at primary, secondary and tertiary levels and they own 71% and 46% of primary and conventional secondary schools respectively. Over 2 million children there are beneficiaries from the education provided by FBOs (MIM and IPRAD, 2004).

Religious schools are widespread and the array of FBO types is enormous. Tietjen (2000) categorizes these, and some of her categories are as follows: - International Private Voluntary Organizations and foundations (PVOs) work on a large scale, implementing activities in numerous countries, such as the Adventist Development and Relief Agency, World Vision, Jewish, Catholic, Islamic and other denominational groups. These are usually organized by country program, and coordinate their activities by sector – such as education. Local faith-based NGOs and benevolent associations are national or municipality-based organizations which work in the area in which they are located. They may be united under a regional or international umbrella according to religious affiliation, such as the Jesuit-founded 'Fey

Alegria' program implemented in 13 Latin American countries by autonomous national NGOs.

School provision is by far the most significant education activity of PVOs, local NGOs and religious institutions. Religious institutions may provide schools simply for their own parishes or communities, but the scale can be much larger, with PVOs and faith-based NGOs sometimes supporting large scale interventions, such as Fey Alegria's over 500 education centres in 12 countries. At primary level, these three types of organizations fund and operate primary schools for the poor, and also for refugees and orphans. Many of these schools deliberately target girls' access to education, and target service provision on activities benefiting women.

### 2.3.3 Sources of financing for church-founded secondary schools

Education funding at various levels comes from various sources, whereby the total level of funding a country devotes to its education is the result of the total level of a country's resource envelope. The major sources, according to World Bank (2006), include; public finance (about 80%), private sources of finance (close to 20%) and international sources of finance - including loans, (representing about 2% of total educational expenditure by developing countries). This analysis holds that in spite of the crucial importance of private sources in several countries, public expenditure is still the main source of educational funds in most rich countries while household spending take the lead in most poor countries. Education financing challenges are not only about mobilizing resources but also about improving the effectiveness of funding (World Bank, 2020).

As Marcia et al. (2013) posit, without an explicit link between resources and outcomes such as efficiency and effectiveness of educational institutions, it is rather impossible to know if it would be cost effective to increase spending in order to achieve even higher performance levels.

In their study, Wylie and King (2004) revealed that there were variations in primary and secondary school funding from the government. The net non-government revenue was ranging from 3.21 percent of secondary schools while that of primary schools was between 1 percent and 14 percent of the total school revenue. This implied that the government was the major funding source for these schools. The study however, was conducted in the Western developed countries, where governments have more strategic educational financing plans, while the present study happens in an African and third-world country, where meagre public financial resources earmarked for education.

Ifeoma, et al (2016) studied the extent of community participation in funding of secondary school in Abakaliki education zone of Ebonyi state (Nigeria) and with use of descriptive statistics, means and standard deviations revealed that local communities' level of participation in school funding was very high. However, this particular study examined whether a similar situation prevailed in church-founded secondary schools in selected dioceses in the central region in Uganda and the study uses correlations regression analysis.

In most developing countries such as those of East Africa, the state only takes a share of the education financing while the parent and other stakeholders take the other part, which is termed as cost sharing. In Kenya, for instance, the main aim of cost-sharing policy is to reduce education cost burden on the government while ensuring cost effectiveness in the utilisation of educational facilities, equipment, materials and personnel, with a view to maintaining the growth, quality and relevance of education and training (Onsomu et al., 2006). In the same country, household funding of secondary education takes 60% on average while government financing constitutes 40% of the aggregate secondary education financing. The current government policy on financing of government-aided secondary schools in Uganda follows the cost-sharing system. In Uganda, the government covers some costs while the parents or the

community shoulders the remaining costs - specifically the costs of key non-salary inputs like tuition, textbooks and uniforms.

While the Ministry of Education and Sports in Uganda is the principal stakeholder, the other government ministries that play significant roles in the funding and/or oversight of one or more aspects of the education system in Uganda are highlighted. These include; Ministry of Finance, Planning and Economic Development; Gender, Labor and Social Development; Public Service; and Local Government. Several statutory bodies such as; National Council for Higher Education, Uganda National Examination Board (UNEB), National Curriculum Development Center (NCDC) are also involved with education programs. They, for example, deploy hundreds of thousands of staff (teachers, head teachers, DEOs, DIS) around the country to support the educational process (Millar, 2008).

According to Millar (2008), the School Management Committees (primary level) and Boards of Governors (secondary level) represent the Ministry at the school level, and also play significant roles in the implementation of education programs. Members of Parliament, on the other hand, and political leaders at all levels are also key stakeholders in Uganda's education system. Non-governmental organizations (NGOs) are also deeply engaged in education programs in Uganda. The study above was conducted on government-aided schools, which base their income and expenditure on the state and state-related stakeholder, unlike church-founded secondary schools most of which are privately owned and, hence face different financing circumstances.

More than a dozen bilateral and multilateral development partners (donors) and various agencies support education programs and projects in Uganda. In addition, a variety of private sector entities including foundation bodies, business associations, corporations, and private educational and training institutions have an interest and, to varying degrees, direct involvement in formal and informal education and training programs.

Other public or private, domestic or international informal entities, who include the students, parents and other community members who attend, support, and manage the schools at the local levels, are also key stakeholders. In 2007, over 7.4 million children were enrolled in primary school, nearly 843,000 in public and private secondary schools, over 40,000 in public BTVET institutions, and more than 137,000 in tertiary level institutions. They have perhaps the most important stake in education because what these students learn in the schools would, to a large degree, determine their future employment options and their civic engagement and participation in building and maintaining democratic institutions and the economy at large (Millar, 2008).

Uganda has considered education attainment a crucial goal. The 1995 Constitution stipulates three education objectives as principles of state policy: (1) The State shall promote free and compulsory basic education; (2) The State shall take appropriate measures to afford every citizen equal opportunity to attain the highest educational standard possible; and, (3) Individuals, religious bodies as well as other non-governmental organizations shall be free to found and operate educational institutions if they comply with the general educational policy of the country and maintain national standards (The Uganda Constitution, 1995; Article XVIII). Articles 30 and 34 (2) of the same Constitution also provides for the right to basic education for every Ugandan and specified in relation to children that such 'education shall be the responsibility of the State and the parents of the child'. Government funding is often complemented by inputs from other partners, who become stakeholders in the undertaking (Uganda Constitution, 1995). The document does not elaborate possible sources of financing for the partners.

The 1996 Children's Statute also affirms the parents' responsibility to ensure that a child receives an education as their inherent right. In 1996, the Universal Primary Education (UPE) policy was promulgated, and so, in 1997 (January) Uganda became the second country in Africa

(after Malawi in 1994) to abolish school fees and implement a Universal Primary Education policy (Millar, 2008).

Uganda Vision 2025 formulated in 1997 and adopted in 1999 incorporated a commitment to education as a development priority. After undertaking a SWOT analysis across all sectors to identify strengths and weaknesses, opportunities and threats in each, recommended actions were developed including those for the education sector below: (i) Reform the country's educational system to promote scientific and technological advancement and more practical and vocational education, (ii) Provide free and compulsory universal primary and secondary education and establish affordable, appropriate and adequate tertiary educational institutions countrywide, (iii) Promote non-formal education and functional literacy programs in all districts and at community level (MFPED, 1999). So, the government mandate to spearhead education provision stands out despite acute failures in many instances.

Uganda's Vision 2040 also underscores the role of education in accelerating national social and economic transformation. It states that 'a healthy, literate and well-informed society' is what Uganda needs to achieve its educational targets, through quality and affordable education (Uganda Vision 2040). It also stresses that as basic education is a human right, primary and secondary education should be used for identification of talents; vocational or academic, with emphasis on practical skills, aptitude and moral values.

Today, given constrained government capacity to avail required education for development, a financial crisis is facing secondary education in Africa. Hence, denomination-based education is widely considered to be one of the key complimentary sources of providing schooling (Haynes, 2008). Since government finances are usually tight, only a limited number of students can be accommodated in a system where public subsidies are inadequate (World Bank, 2021). Hence,

many households will subsequently give up on their children's education even if the learners have potential.

The recent global financial crisis has greatly affected foreign donors, which increased the 'vulnerability to external conditions' of countries highly dependent on foreign aid OECD (2017)). Therefore, it led to an intense reduction in international aid by late 1990's due to complex factors, including; the general tightening of government budgets in donor countries, the end of the cold war, and the growing doubt in public opinion over the effectiveness of aid - marred by lack of accountability, mismanagement of funds and corruption in recipient countries (World Bank, 2006). The study, however, does not particularly mention the situation at the secondary school as an important section of the education sector, which is the main concentration of the present study.

From the onset, formal schooling in Uganda was introduced, initiated and propagated by religious denominations: Protestant and Catholic missionaries (and later on Muslims) as early as 1877 and 1879 when the first missionaries came to Uganda. The Uganda Protectorate government from the period 1894 to 1920s never wanted to involve itself in establishing schools, financing or administering them. The missionaries, the chiefs and their subjects played a key role in establishing the new Western type of schools and financing them (Ssekamwa, 1997). The money for running the schools was as a result of 'cost-sharing' by the Ugandans (parents) through school fees payment and donations by the friends of the missionaries in their home countries.

In Uganda, denominations have played a central role in establishing and operating most of the earlier secondary schools, which relied on tuition fees and donations from benefactors in the West, to cover the full cost of their operations (Koch, 2009). The benignity of denomination-based education in developing states, however, is not uncontested. Since both religion and

education are subject to quests for power and influence in developing countries, denomination-based education has inadvertently become part of ideological and political struggles (Van der Kooi, 2005). As a result, their services come to be perceived as sustaining particular goals.

During the colonial regime, academic training was prioritized in order to prepare 'white collar' managers, clerks, accountants, and teachers for the British administrators. Even the chiefs emulated this training for their children so that there was little regard for technical education. The British develop skills training centers in the late 1940s, and in the early 1950s they established an Artisan Training Organization and Trade Testing and Apprenticeship Training Sections. However, at Independence skilled manpower was in short supply. Little planning had been done and there was no serious concern to budget for technical education (Millar, 2008).

The education policy in Uganda prescribes a structure of seven (7) years of Primary education, sic (6) years of Secondary education (divided into 4 years of lower and 2 years of upper Secondary school), and three to five years of post-secondary, also referred to as 'Higher education' (Ojijo, 2015). The policy regards education by sector, namely: Kindergarten or early childhood education/development, Primary education Secondary education, Post-secondary/Technical, Vocational and Business education, as well as University or Tertiary education.

The government is mandated with meeting the financial education requirements at the lower levels; primary (UPE) and secondary (USE). Though each of the levels has unique funding challenges, a robust research is yet to be carried out indicating their financial sustainability. Hubbard (2007) reveals that management of the educational system at the school and district levels is appallingly weak. Systems for record-keeping and accounting are inadequate, leading to misallocation of funds, salary payments to 'ghost' teachers and a general lack of fiscal

accountability. The scholar, however, does not cut into what other possible sources schools can resort to, to guarantee substantial funding, before critiquing the funding administration mishaps.

Uganda has written into policy a highly decentralized system of school funding and management, which was initiated earlier than in most other African countries, in the 1990s. At that time funds were reportedly disbursed by the Ministry of Education and Sports (MoES) on a regular basis. However, like in many other spending programs in low-income countries, a Public Expenditure Tracking Survey (PETS), introduced to gauge the extent to which public resources actually filtered down to the schools, revealed that in the mid-1990s the average school received only around 20 percent of central government spending on the program (IOB, 2008). This reveals a significant financing discrepancy deserving well planned source for funding.

Bray (1999a) outlines other factors to be considered, including adopting sustainable cost-effective strategies that ensure strong linkages in school financing. The author advances that if secondary education is linked to labour market, higher returns can be expected, which justifies increased need for public financing of secondary education. In reality, as had been the situation since before independence (1962), schools still depend, to a large extent, on community contributions and family income in terms of school fees due to the fact that most schools are severely under-resourced. Though education attainment is a significant and indivisible investment, poverty can constitute an impediment to acquiring education; for example, impoverished households can hardly access credit services to invest in education (Banerjee, 2000).

Uganda, in particular, invests over 7% of GDP in formal primary, secondary, and tertiary education, excluding the income foregone by students (Winkler & Sondergaard, 2008). Hence, this investment is funded almost equally by government and private households. However, while at the primary level government bears the larger financing burden, at the secondary level

households bear the larger financing burden. The authors affirm that secondary school enrollments are growing rapidly, and the government's commitment to universal secondary education (UPPET) indicates that the growth will continue indefinitely. At the same time, the unit costs of secondary education are high - both in absolute terms and relative to per capita GDP. The combination of increasing enrollments and high unit costs yield future secondary level expenditures that are not sustainable, whereby school planners ought to proactively salvage the situation.

Under the USE scheme, government pays the public schools and participating private schools an annual grant of up to UShs 141,000 ($52) per student, spread over three school terms. Parents, though, have to provide the students' uniform, stationery and meals. Before USE (2006), barely 50% of primary school-leavers joined secondary education annually. However, within a year after launching the scheme, that figure rose to 69%. Similarly, the number of O-level candidates in the country rose from 172,000 in 2006 to almost 265,000 in 2010; an increase of 54% (Kavuma, 2011). The author is silent about potential sources of funding to cater for extra numbers of students recruited into the system which is one of the key concerns of this study at hand.

As Lugira (1999) notes, in the area of education, the Catholic Church in Uganda has shouldered the leadership of establishing educational facilities at all levels including the numerous Primary schools, secondary schools and tertiary institutions of education, which are exemplified by the existence of many Catholic-founded education institutions; colleges, seminaries and the Uganda Martyrs University at Nkozi in Uganda. This is but a general observation about the church's patronage of educational institutions. It makes no critical mention of how the church upholds that educational leadership via mobilisation of funding from any particular sources. Secondly, the study is narrow for it only treats Catholic schools and institutions while this study goes

further to include the Anglican Church-founded schools; basically the secondary church-founded ones.

In order to prevent occurrence of the disunity due to the denominational nature of education in Uganda, the government thus passed the 1963 Education Act (Amendment), which put the control of all financially aided schools by the government under the control of the government and not (any more) by the Churches, Mosques or Asian racial groups (Ssekamwa, 1997). Then UNESCO, in 1969, carried out a study to establish priorities in educational development in Uganda, which guided the drafting of the Education Act, 1970. According to the Act, the moment a school becomes government-aided, technically powers of management, administration; staffing, auditing and inspection pass to the Minister of Education. The ministry of Education also assumes the responsibility of funding that school (Kiwanuka & Kasibante, 2001). The act undervalues the financing partnership and contribution of other stakeholders, and whether there shall be any subsidiarity. The foregoing analysis also makes no attempts to reveal alternative sources of funding in case the government face financing constraints.

### 2.3.4 Financial resource allocation modalities for church-founded secondary schools

Several financial resource allocation modalities have been advanced by different scholars over time. Basing on the Resource Input Model of educational quality (Cheong & Ming, 1997) as summarized by Cameron & Whetten (1983) and Cheng (1990, 1995) in their models of organization and school effectiveness, scarce and quality resources are necessary in achievement of quality and attainment of set goals of an educational institution. This model emphasizes that indicators of a quality and effective school involve; more financial support from various sources such as; education authorities, parents, alumni, sponsors, among others, quality students intake, qualified staff, procured resources, better staff-student ratio, facilities and equipment. The

financial aspect is, therefore, given precedence as it influences many of the other factors that determine quality of an educational institution.

According to World Bank (2015), one of the most important policy variables is the allocation of resources within the education sector. Resource allocation goes with setting priorities between current and capital expenditure. Proper financial resource allocation at secondary level also improves completion rate, and the expenditure data is very important. On average, Sub-Saharan African (SSA) countries allocate 18.3% of public resources to the education sector, whereby the total amount in the region in 2008, for example, was US $2.6 billion (OECD – DAC, 2010). It is also indicated that 5.6% of education resources for SSA are financed by donors. So, quest in church-founded secondary schools resource allocation, not included in the former study, is of paramount importance for the study in question.

Third world governments and schools in impoverished settings possess very scarce resources; evidence that helps to boost allocational efficiency is sorely needed and often listened to by policy makers (World Bank, 2015). Uganda is particularly still confronted by a number of financing challenges relating especially to the demand for increased access at the secondary and tertiary levels. Despite the tremendous progress Uganda has made in education provision in the past decade, mainly with the introduction of universal primary education, two significant aspects to the funding question include; the insufficiency and the misallocation of resources (Pillay, 2006). As Colclough et al. (2003) asserts, Church-founded secondary schools in Uganda have been confronted with two major issues; funding adequacy and relevance. Relevance of financial resource allocation is one criterion for judging school financial systems. It is defined in terms of the reasonable portion of resources allocated to education and the share of the institution's budget spent on education.

Mgeni (2015) studied the effectiveness of secondary school budgets in implementation of school projects in Sengerema district, Mwanza (Tanzania), and with the use of frequencies showed that 80% of Heads plan their school budgets according to the needs of the school and directives/guidelines from the central authority; the Ministry of Education and Vocational Training. This study showed that most of the school funds are directed on capacity building through workshops, seminars, project planning and management. However, the study depicts a context differing from that of church-founded secondary schools, which is the major concern of this study.

Meanwhile, Ada (2011) studied budgeting practices of principles of secondary schools in South East Geo political zone and with use of means and standard deviations revealed that principals followed budget guidelines and specifications in planning and implementing budget. Principals, however, did not allocate more money on science equipment, maintenance of vehicles, buildings and furniture and neither did they organize workshops and conferences since these were not allocated adequate funds in school budgets. This study treats financial allocation modalities using empirical findings from the field using both quantitative and qualitative approaches.

Mosala and Malefetsane (2010) studied effective use of budgeting as a tool towards financial management in schools in Lejweleputswa District (Free State Province – South Africa) and with review of literature, established that the knowledge of budgeting as an aspect of financial management was lacking or inadequate in some schools. However, this study was based on review of literature while this particular study was empirical and aimed at particularly church-founded schools.

Aboegbulem and Kulu (2013) studied budgeting practices of principals of secondary schools in South East Geo-political zone of Nigeria and with use of T-test analysis and established that budget guidelines specifications in planning and implementing budgets were highly important in

enhancing budget allocation effectiveness with this approach, buildings, furniture and other units were effectively budgeted for. However, while the study used a T-test analysis, the study at hand mainly uses descriptive analysis to report findings from the field.

Thenga (2012) studied managing school funds in selected secondary schools in Gavteng province, South Africa and established that most secondary schools in this province were facing difficulty in managing funds due to limited budget allocation as well as financial management knowledge. However, a few schools had their budgets drawn efficiently and thus their finance records were well managed in township schools. However, the study did not show the sources for these school funds; students, government or other bodies, which this present study endeavours to address.

Dangara (2016) studied educational resources as an integral component for effective school administration in Nigeria and with review of literature, established that allocating resources from different sources effectively allows addressing needs on sensitive units of the school which improved efficiency and effectiveness. Further, this was associated with eliminating wastages and extravagancy; hence, allowing service excellence in the school. Incidentally, this study was based on review of literature as opposed to this particular study which was is an empirical one based on field study findings.

Omollo et al. (2016) studied the effects of financial budgeting in management of public secondary schools in Uriri sub-county, Kenya and with use of descriptive statistics revealed that over 85% of the respondents showed Headteachers had limited financial knowledge in terms of locating possible funders, accounting for low funds received from the government. The present study, however, treats financial lobbying and expending by church-founded secondary schools.

Bilgin (2017) studied management of school funds by secondary school principals and its implications for effective job productivity and with use of ANOVA effective allocation and

utilization of funds especially following different departments preparations enabled effective utilization of funds acquired leading to total effectiveness in the system. Alternatively, this foregoing study did not use the systems theory, as it was applied in the suggested study.

Apio (2014) studied the influence of budgeting implementation plans in public secondary schools in Uriri District, Migori county, Kenya and with use of descriptive data analysed revealed that 90% of the respondents indicated that budgeting skills, monitoring ability, evaluation skills, procurement knowledge, project identification, learning materials, and prioritization were highly emphasized. Consequently, the budgeting process was a total success. However, the study stopped at descriptive analysis while this current study was both descriptive and correlational.

Budget differences, by and large, do not account for performance, but instead - the incentives that determine how well the budget is spent must play an important role (Penne, et al., (2016),). In many school systems, resources are not allocated to maximize educational output. The tendency of relative overspending on inputs that are of direct concern to teachers is so rampant among secondary schools that teacher welfare influences spending, at the expense of overall school quality (Pritchett & Filmer, 1997). The current study is conducted in mainly private church-founded secondary schools unlike the former study that was conducted in state-funded schools. Increasing the school budget per se as the educational policy may undervalue the importance of quality outputs of education, which is the essence in spending decision-making (Makaaru, J., A. et al. (2015). It is, therefore, still rather inexplicable why some seemingly financially well-facilitated schools may continuously register absurd outputs/outcomes, including poor academic results/scores.

While public provision of schooling is sometimes characterized by inefficiencies, the systems still differ widely across countries and regions in their institutional structure regarding their

educational decision-making processes (Wobmann, 2000). The reason is that they tend to give different amounts of decision-making powers to the different agents involved in educational production, which creates different incentives for their behavior. Such differences in institutions and incentives will affect the agents' decisions on the resource allocation and thereby the effectiveness of resource utilisation in the particular institution. The practice eventually impact on the educational performance of the students and the overall effectiveness of the institutions.

The level of school effectiveness and schooling productivity - the ratio of educational performance to resources used, thus seems to vary widely across different schooling systems. The models of financial mix in academic institutions elaborate guidelines concerning sources of finance, distribution of power and resources, allocation of funds, dominant interests and participation in the financial decision-making, as they are accomplished by the school administrators (Aina, 2017).

Expounded by Kraujutaityt (2002), education funding mix includes collegial, bureaucratic and market models. It has been popular in the discourse on higher education finance policy in Wes tern countries. While the collegial model allows academic institution to allocate its funds independently from the interference of the state, the bureaucratic model gives autonomy to the state to implement financial decisions, based on public needs and their concomitant long-term national priorities.

The market model, on the other hand, emphasizes interest-integration of the state, administrative and academic staff, families, students and other stakeholders to take responsibility, within the law, for resource accumulation and allocation in an academic institution. Given the fact that secondary education is increasingly becoming an economically expensive arrangement, the proponents of the theories ought to have highlighted priority areas for suitable financial resource allocations. Since the 1970's, the relevance measures have become more concerned with output

targets rather than expenditure targets (McGillivray, 2008). This study is conducted in western setting unlike the present study that was done in church-founded schools where market forces do not per se influence educational choices. For the case of Uganda, there is a weak accountability by schools to parents and other stakeholders, prompted by the long political and often physical distance between parents and policy-makers to schools. Despite the many factors that contribute to good governance, efficiency, accountability and hence effectiveness are still wanting (Winkler & Crouch, 2008).

Pritchett and Filmer (1997) posit that in reality, the spending patterns on inputs such as; teacher wages, class sizes, buildings, textbook use, is done purposefully. The theory of the input choice predicts the observed input productivity and guides the interpretation of results, paying attention to the decision-making process. The underlying process usually determines budgets, prioritizing valuable outputs/outcomes, though in the case of many contemporary schools systems in Uganda, financial resource allocation policies are 'politically' determined – with an underlying bias especially for selfish ends.

Education is widely accepted as a major instrument for promoting socioeconomic development, and education expenses are, therefore, often the most important item in developing countries' budgets (Psacharopoulos, 1986). According to the author, education in most countries is not contributing to development due to; underinvestment, misallocation of resources, inefficient use of resources and inequality in distribution of costs and benefits among various groups. The question concerning which expenditures should be considered is key in the daily secondary school administration and financial management.

In another analysis by Lewin, (2016), at least more than 5% of GNP needs to be allocated to education, with 2.5% at secondary level. However, changes in school management that provide incentives to efficiently manage financial, human and physical resources should be prioritised.

The author commends three most burning issues in regard to secondary school financing; how to finance, how to organise the financing and what to teach.

Uganda is among the countries in Africa with the highest percentage of secondary school enrolments in private schools; As such, household expenditures on secondary education are triple those of government (Winkler and Sondergaard, 2008). Thus, it is critical to protect and sustain household financing levels, most of which is provided by high income households, to permit the expansion of more heavily subsidized educational opportunities to lower-income households. The method of doing this, however, is not elaborated by the author.

The problem facing secondary education in Uganda has their roots in the lack of resources as testified by Kiwanuka & Kasibante (2001). Thus, the Uganda National Policy Review Commission (1989) was mandated, among other things, to reassess the current funding of education at all levels including the possibilities of making students contribute towards their upkeep without impairing academic standards. The commission observed that the current education system (by then) was still faced with shortage of financial and material resources, qualified workforce as well as a widening gap between schooling and life. The researcher wonders if prioritisation of resource allocation is not one of the challenges that need attention.

Government funding is often complemented by inputs from other partners, who become stakeholders in the undertaking (Uganda Constitution, 1995). However, the present allocation of government subsidies, according to Winkler and Sondergaard (2008), is not transparent and does not offer explicit incentives to private schools and households to sustain and increase private provision and finance. While governments are the main funders of education systems in every country in the world, they are not the only source. Private financing of schools can complement government funding in public education institutions as well as private schools. The rise of private sector involvement in education brings new opportunities to education financing,

but most essentially, how to ensure sustainability of funding by individual institutions, is an area that still needs consideration.

Verspoor (2008) indicates that personnel cost is the largest expenditure item in secondary education budgets. He also argues that inefficiencies in teacher deployment are a major cause of high per student cost. It is also reflected that salaries are an unaffordably high multiple of GNP per capita, where an affordable salary structure is recommended. This may require moderation in salary increases and a review of recruitment policies and qualification requirements. Although high salaries is not the prime handicap for adequate financing and efficiency, administration of the funds should be looked into, leading to better financial decision-making.

There is need for more resource mobilisation and more sustainable efficient management. Akoyo (1989) posits that the cost of education is largely a function of inputs, processes and outputs. In order to economise on the meagre resources, an analysis of these three functions is imperative. In Uganda, like in other developing countries, teachers' salaries, for example, constitute about 80% of the total education budget. Therefore, means should be devised through which this budget could be reduced, for efficiency and sustainability without harmful effects to the sector. An inquiry into this affair ought to be carried out. With the rising costs of tuition in secondary schools, the government of Uganda, as advocated by the Quality Education report (MOES, 2007), may need to increase education financing with Capitation grants, enhanced and disbursed timely.

Winkler and Sondergaard (2008) advance that accountability by schools to either parents or the Ministry of Education and Sports is weak, School inspection is infrequent enough to be ineffective, thereby seriously weakening accountability to the MoES. In addition, the local BOGs and PTAs have unclear and sometimes competing roles and usually lack the capacity and information to effectively manage school budgets. Thus, to ensure desired effect and

sustainability of the funding, the authors advise institutions to have their performance evaluated and their financial records audited. This, and related mechanisms need to be stressed.

Government aided schools in Uganda receive funding for non-salary education expenses on a per-pupil basis through capitation grants, which are transferred by the central government to local governments for administration and distribution to schools. Previously, these central government grants to schools were experiencing very high leakage rates (87%) in the early 1990s, as documented by Reinikka and Svensson (2004). A World Bank Public Expenditure Tracking Study (PETS), which tracked this leakage was carried out, where the government undertook a newspaper campaign to inform citizens what their schools should be receiving. This resulted in a reduction in the leakage rate to less than 20%. Subsequent PETS have found continued reductions in the leakage rate over time (Winkler and Sondergaard, 2007).

### 2.3.5 Alternative financing mechanisms of church-founded secondary schools

Given the government and private efforts to continue financing private demand for education, both households and school establishments ought to continue exploring innovative financing approaches as alternative financing mechanisms, to enable access and affordability to secondary education. The study thus delves into finding the various alternative ways of financial mobilisation to ultimately contribute to education financing for the effectiveness of church-founded secondary schools.

In many developing countries, including Uganda, access to high-quality secondary education is determined by several factors; one major factor being household income. According to Gichuhi, (2015), private spending on education at this level takes multifaceted aspects; tuition, coaching (private tutoring), books and scholastic materials, uniforms, transport, meals, fieldwork, examinations among others. The poor parent in particular has a higher opportunity cost in doing this, such as the foregone child labour, where children, especially girls, often help with

agricultural production, water collection and the care of younger siblings. Stakeholders of church-founded secondary schools; households, administrators, staff and students must continue exploring innovative financing ways to sustain access and affordability to education.

In regard to cost-effectiveness analysis (Rice, 2002), the relationship between financing mix and effectiveness is best illustrated, whereby the question, "Should we support this financing method or that program?" is aptly addressed. Here, the studies look at alternative methods of accomplishing specific education outcomes using a mix of different financing methods and coping mechanisms and, therefore, attempt to identify the program options that are most successful at the least possible cost are made. This study is based on a western setting, not accommodating the fact of insufficiency of financing in a third world country-setting like Uganda. Hence, in any school environment, attention is put onto allocating resources where they will be most beneficial to foster education quality.

Getange et al. (2014) studied alternative sources of funding for free day secondary education in public schools in Kusi central district, Kusi county, Kenya through and combination of desktop review and field data revealed that the government of Kenya was the major funder of the schools where the study was carried. However, the study also revealed that the finances offered were grossly inadequate and irregularly remitted to schools. The present study is an empirical one conducted in church-founded government and private secondary schools in Uganda.

The role of the private sector in the finance and provision of secondary education in Uganda cannot be underrated (Winkler & Sondergaard, 2008). It comprises the sizeable fees paid by households to public and private secondary schools. It is, therefore, critical to protect and sustain household financing levels, most of which is provided by high income households to permit the expansion of more heavily subsidized educational opportunities to lower income

households. In so doing, it will be more sustainable to support education at this level, from various fronts. A research showing how this can be done is just timely.

Wylie and King (2004) empirically revealed that secondary and primary schools spent similar proportions on average for property management administration and depreciation but secondary schools spent a higher proportion on learning resources other than entitlement staffing. However, this study ascertains whether a similar situation prevails among church-founded secondary schools in the central dioceses in Uganda.

Omollo et al. (2016) studied the effects of financial budgeting in management of public secondary schools in Uriri sub-county, Migori county, Kenya and with use of descriptive statistics and revealed that over 85% of the respondents showed heads of schools had limited financial knowledge in terms of locating possible funders accounting for low funds received from the government. Afolayan (2014) studied a holistic review of public funding of primary education in Nigeria and established that inadequate school funding affected the efficiency. As a result teachers were inadequate and infrastructures were not enough, contributing to school ineffectiveness. Unlike the outgoing study, this current study concentrates on secondary education, and assessing the effect of alternative financing mechanisms of church-founded schools.

Tumen (2013) studied the impact of school resourcing and financial management on educational attainment and achievement and with use of linear regression models and binary logistic regressions and revealed that the differences in the overall school funding practices had no impact on differences in achievement. Alternatively, this reviewed study used regression analysis while the completed study used Pearson correlation.

According to Samuel (2003), the principle explains the escalating cost of private cost of education as many governments are drifting away from bearing the cost of education. Some

research findings show that the reason for this is because the individual benefits more from education. Samuel (2003), for instance, in a study for World Bank on public expenditures in Lagos State schools found out that household unit cost of primary education was N33,000, while the public unit cost was under N3,000. In this study about financing church-founded schools, the major concentration is at secondary school.

Akinyemi (2005), estimating the unit cost of primary education in Lagos State found out that both the private and social cost of education were escalating every year with household spending (private cost) estimated to be more than 70 percent of the total cost and government spending less than 30 percent per child. However, this study was conducted in western part of Africa with a different type of school-founding, while the current study is conducted in Uganda, whereby the schools in question are church-founded. In many schools, parents are peculiarly the sole financiers of their children's education, and the fact is that their incomes are much lower than the tuition fees and living expenses demanded by the schools.

Blaug (1987) argues that public expenditure on education depends not only on the costs of instruction but also on the volume of direct aid to students. He further notes that the levels of public spending on student aid can encourage or discourage the private demand for education but cannot directly affect levels of economic development or rates of growth of GNP per head. However, this seems to be an erroneous assertion according to other findings, since education of individuals in society largely determines the level of employment, and hence economic growth and development. Other school outputs that explain an effective school are, as a matter of this study, are cited, which may add both to an individual's or society's development.

According to UNESCO (2011), the process of effectively financing education expansion as well as quality improvement is rendered more complex by the lack of solid statistics on the costs and financing of education. Since the mid-1990s, four factors have promoted a rapid increase in the

share of lending to general secondary education as cited by World Bank (2012). First, as primary completion rates have risen, the demand for secondary places has grown. Secondly, the equitable and sustainable financing and management of secondary education has become a major challenge, especially in low-income countries. Thirdly, education in economic and social development is being reassessed in the context of globalization and competitiveness in the information age. Fourthly, changes in secondary education are being driven by rapid transformations in technology and labour markets.

The Uganda government White Paper on Education (1992) stresses the need to expand and increase opportunities at secondary level. It provided a basis for future reforms aimed at increasing access, quality, governance and, above all, how to enhance the private - public partnership to galvanize robust funding. According to the Uganda Education Statistical Abstract (2009), the secondary sub-sector in Uganda has three types of schools: government-owned, community-owned and private sector-owned. The annual school census (2009) depicts that of the 3,149 schools then covered, 30% were government-aided, 12% were community-owned, while 58% were privately owned, and most of whom were denominational in nature. The study, however, does not indicate where the various types of schools solicit their funding for their sustainability and effectiveness, which this study elaborately illustrates.

The United Nations Centre for Trade and Development (UNCTAD) also indicated that 74% of the variation in per-capita income across countries accounted for the inadequate provision of secondary education in third world countries (UNESCO, 2011). In Africa, new solutions to overcome the perennial problem of sharing the financial burdens of provision of secondary education with other stakeholders such as religious denominations are incessantly being sought (Cole, 2008). The author makes no special mention of how to diversify financing to purposefully impact effectiveness in the school system. This study will indulge into the various

mechanisms of pooling financial resources, as well as other non-financial remedies, to foster school effectiveness and improvement.

Countries such as the Czech Republic have made financing of secondary education more low-priced by increasing the teacher workload, teacher intensity in terms of the student-teacher ratio and merging of schools with low enrolment. Other adduced cost reduction measures such as the use of computers in teaching include individual teacher innovations have also been practiced (OECD, 1999). The case of Uganda requires a rather different approach altogether which rhymes well with the economic situation. This study endeavors to articulate such adapted approaches that can also further effectiveness in the church-founded secondary schools.

Financing of secondary school education over the last two decades in Uganda has had to accommodate a number of bottlenecks including general inflation and the government's budgetary difficulties. This, according to Akoyo (1989), has weighed heavily on parents and communities, who have always had to come in to top up heavy deficits in the daily running of the schools in terms of high fees payments. Since the researcher is precursor to the USE scenario in Uganda, a supplemental research ought to be undertaken to cater for the deficiency of government funding.

An effort to rejuvenate the public financing role, in relation to secondary education was embarked on in 2007 with the introduction of USE across the nation in most of the government-aided schools. The move, however, has so far been demonstrated by many education critics as being inconsistent with quality, let alone effectiveness. This research categorically suggests remedies to overcome the deficiency of government funding.

Despite government commitment to providing tuition, teachers, infrastructure and instructional materials to USE/UPPET participating schools, it was observed that there was a big number of students who dropped out for different reasons: Between 2007 (year of inception) and 2008, the

sector registered a dropout rate of 5.3% of the 161,396 students enrolled in USE. The sector continued to register increasing rates of dropouts: 8.3% between 2008 and 2009 (MoES Department of Statistics; Dropout in the USE Program, 2012). School-drop out usually signifies a skewed funding pattern that may be addressed by a backup of alternative sources. The analysis, however, does not point out what remedies to adopt, which will be addressed by this particular study.

Education today is at critical crossroads, faced with the challenge of breaking the old traditional barriers embracing the whole society, such as the dependency syndrome - on government and donors. Religious denominations have played a central role establishing and operating most of the earlier Secondary schools in Uganda, which relied on tuition fees and donations from benefactors to cover the full cost of their operations (Koch, 2009).

To date, there are considerable challenges purported to be the failures of government in fulfilling its opted role of funding, administration and policy-making for grant-aided secondary schools in Uganda. According to Koch (2009), these include; insufficient capital development fund, inability for teachers to earn a living wage from government and private schools, and absence of regular school inspections. These and similar interventions ought to be clearly illustrated anew in this research. The deficient budget for education purportedly reflects the general economic predicament of the population which, incidentally, ought to meet the high cost of secondary education.

Income poverty in Uganda remains a key development challenge with over 8.9 million persons living below poverty line - largely due to high population growth (Ssewanyana, 2009). Most people suffering from consumption poverty are especially rural crop farming households, who form 84% of the total population (World Bank Indicator – Uganda – Density & urbanization 2012). As part of the EFA effort, a number of countries have abolished school fees at the

primary education level in order to alleviate the financial burden on households, especially among the poor, hoping to stabilize funding adequacy at the secondary education level. Fees abolition, however, need to be supplemented by other practicable ways to diversify funding sources, which are not highlighted by the author.

When viewed against the background of the percentage of budgetary allocation given to the education sector, the funding of secondary educational institutions, particularly the government-aided denomination-based, is still not adequate. In the 2014/2015 Uganda national budget, a 30% tax on profits made by education institutions as well as reintroducing VAT on educational materials like computers and scholastic were instituted. This action, a move to enhance tax revenue as well as tax compliance of private school owners, is feared to culminate into compromising quality service delivery and access (of the poor) to education.

The apparent question is whether the education institutions will not advertently pass on the tax burden to parents in terms of fees increments, which will aggravate the state of affairs of education financing across the spectrum. Research pointing at coping mechanisms was thus imperative.

The twin goals of expanding Secondary education and maintaining its equitable access in Uganda are inextricably linked to the issue of adequate funding, that can be galvanised through various fronts. According to Birdsall (1996), government financing of education is often complemented by inputs from external partners, students and households, and private entities. In fact, the contribution of households, the largest private financier, covers around one-fourth of all education expenditure in developing countries. How secondary schools should diversify their financing sources to foster their educational proficiency and worth, is an area entirely addressed by this study.

# CHAPTER THREE

# METHODOLOGY

## 3.0 Introduction

This chapter covered the research design, the sample population, study procedure for data collection, the research instruments and data analysis that was used therein.

## 3.1 Study Paradigm

This research used positivist and interpretivist approaches in its paradigm (Chau, 1986). The choice of this research paradigm is influenced by the context of the education financing systems in Uganda as well as factors related to the characteristics of the education system that is embedded in church Foundation Bodies (Trauth, 2009). As a result of this thesis, research problem and the context of the financing of secondary schools in Uganda, the choice was made to conduct research using the interpretive research paradigm. This research paradigm would assist in enabling an understanding of the underlying assumptions of this study. The positivist approach caters for the quantitative nature of the research while the interpretivist caters for the qualitative nature of the research. It also contributes towards ascertaining the validity of this research in terms of the research methods that have been used. For this reason, the interpretivist paradigm – applied to this thesis' research – is hereby described.

The positivist approach advocates for the application of methods of the natural sciences to the study of social reality (Grix, 2002). It is objective in nature where the study is conducted in a way that is value free (Bryman, 2016). Under this approach, hypotheses were generated that were tested to allow explanations of the data gathered to be assessed. Knowledge is arrived at through the gathering of facts that provide the basis for phenomena.

As interpretive approach, the objective is to gain a rich understanding of financing of education in church-founded schools. Key issues involved here are the sources of financing, resource allocation modalities and any alternative financing mechanisms that can be used to substitute prevalent formal financing channels. This paradigm therefore has the epistemological stance that recognizes the social aspect of research that does not see the world as orderly or quantifiable and recognizes other influences of the foundation bodies' vision, mission and their views of financing education in Uganda. In the interpretive world view, it is recognized that the "I" (the researcher) is inseparable from the research phenomenon and the subject studied and the researcher are constantly influencing each other.

### 3.2 Research design

A cross sectional survey design was used while the study predominantly assumed a quantitative research approach. Qualitative approach was also used to some extent and was chosen because it goes deep into the minds of the people to investigate intangible variables such as personal feelings, attitudes and mentalities. The quantitative research approach achieved a more particularised understanding of the views and experiences of the respondents. Scholars such as Aspers (2019), Bryman (1988), Datta (1994), Greene et al. (1989) and Niglas (1999) identified intellectual foundations of the concept and value base of these approaches. They propose that quantitative research captures the structure while qualitative research - the process. They add that the combination of various elements of quantitative and qualitative approaches offer much wider possibilities in research.

A cross sectional survey design is one where the researcher uses subjects of different age-groups at the same time (Enon, 1998). It was preferable due to the heterogeneity of the envisaged respondents in the target population, which included; school administrators, local government officials, education secretaries, members of the schools board of governors, staff and students.

The survey enhanced accuracy in measurement by quantification, replication and control over observer effects. It was preferred because it provides information collected at the same time from various categories of subjects and it is amendable to rapid statistical analysis. Survey results were generalised to a large population within known limits or error.

### 3.3 Study Population

The study population included church-founded secondary school stakeholders for both government-aided and privately owned secondary schools as well as partner schools to government in regard to the Public Private Partnership (PPP) arrangement of education in Uganda. They ranged from the secondary school students, their parents, teachers and all the leadership school. These stakeholders formed the parent population of the study.

The target population, for that matter, included the foundation body Catholic and Protestant education secretaries of the archdioceses of Kampala (Catholic Church) plus Namirembe and Mukono dioceses (Anglican Church). By target population, the researcher means; the total number of subjects that the research concentrated on, or the total environment of interest to the researcher (Amin, 2004). It also involved local government education officials and education secretariat staff; these man the education policies of their institutions and are answerable for many of the practices and outcomes within the schools. Secondary school administrators formed the core of the school-based respondents for they are in charge of the day-today operations within their various schools. Teachers and students were then involved since these are components of the schools in question, whereby they form the core of the church-founded schools. The school governing boards and parents also formed part of the target population due to their role in education planning and core financing respectively.

The accessible population then consisted the subjects that were deliberately selected, since the data needed was specific to funding dynamics in the chosen institutions. The accessible

population involved individuals who articulated education policies and, or policy impact on the denomination-based education. It also encompassed the individuals that were available and willing to provide the needed responses about financing and educational effectiveness issues of the selected schools; these were 702 in number.

### 3.4 Study Sample

The study sample included 40 denomination-based secondary schools; 25 Catholic and 15 Protestant founded from within the selected three areas of Kampala, Mukono and Namirembe dioceses. The selection depended on the number of church-founded secondary schools found in each of the selected areas; in the order of number of distribution. Kampala diocese ranked in possession of church-found secondary schools (45), followed by Namirembe and Mukono dioceses, who had 25 schools altogether.

The school administrators formed the most numerous types of respondents since they deal with the day-to-day affairs of school management and operation, yet they are the key implementers of financial policies. The other sample included teachers; they are the ones who carry out the teaching and learning process, interact with the learners, putting into action plans from the administrators and members of the governance. The students; are at the end of the implementation cycle, on whom the learning and learning process is applied.

The schools' board of directors were directly involved in the study since they play the governance role, make and evaluate school policies as they are given to the school administrator for implementation. These are the legitimate owners of the school. The parents; are the core financiers of the schools in regard to solicitation of tuition and other requirements as they stated by the school administration. Local governments and education secretariat officials also more universally impact education of various institutions, for they represent government/Ministry of

education as well as Foundation Bodies respectively. Therefore, aggregating the above samples together, the eventual sample size amounted to 700 subjects.

This sample was chosen basing on the historical precedence of the two major religious denominations cum Foundation Bodies in Uganda (Catholicism and Protestantism), and the numerousness, establishment and distribution of the affiliated education institutions in question. The study sample was determined using non-statistical estimations; a method where the sample size is determined by looking at several factors in the study without necessarily applying approved mathematical formulae, as recommended by Krejcie and Morgan (1970).

Details of the population samples are hereby presented, to give a proper analysis of data from the elicited responses. The participants in the different population groups represented key informants from which the researcher would solicit useful information, to generate the quantitative and qualitative results and findings. General information concerning the respondents of the study is hereby presented.

### 3.4.1 General Information on Respondents

The study used a multifaceted cross-section of respondents that had a significant stake in the school/education financing as illustrated in Table 3.1.

**Table 3.1: Classification of respondents**

| Characteristics | Respondents | | |
|---|---|---|---|
| | **Nos.** | **Categories** | **Method of inquiry** |
| Board of Governors | 80 | At least 3 participants per school | individual interview; *Structured* |
| Parents | 120 | At least 3 per school | Administered Questionnaire |
| School Administrators | 112 | At least 3 participants from this category<br>• *Head-teacher*<br>• *Deputy Head-teacher*<br>• *Director of studies*<br>• *Bursar* | *Self-administered* Questionnaire |
| Staff (teaching & non-teaching) | 160 | 4 - 6 participants per school | Focus group interview |
| Students | 200 | 4 - 6 participants per school<br>• *'O' level*<br>• *'A' level* | Focus group interview |
| Foundation Body Education Secretariat staff | 8 | Two staff per diocese<br>• *Kampala Archdiocese*<br>• *Namirembe diocese*<br>• *Mukono Diocese* | individual interview |
| Local government officials: (District, Division/County, Sub-County) | 20 | At least 2 officials from; *Wakiso, Mpigi*<br>• *Kampala & Mukono* | individual interview |
| Uganda Episcopal Conference | 2 | At least 1 official from this group. | individual interview |
| **Total respondents** | 702 | | |

Results in Table 4.1 show that the respondents of the study included; members of the board of directors (80), school administrators (112) who responded to the questionnaires and parents (120) by in-depth individual interviews, while staff members (teaching and non-teaching (160) responded to group interview schedules. The students were 200. At diocesan secretariat level, the education secretaries and/or their representatives were 8, while at local government (sub-county, division and district), 20 officials altogether were contacted to give a governmental outlook to education financing of church-founded schools, through an individual interview schedule. Finally, two (2) officials from the national office of the Uganda Episcopal Conference were engaged using an interview schedule.

### 3.4.2 Board of Directors

The researcher sought general information of members of Board of Directors based on gender, their period of engagement with the schools in question and their religious affiliation vis-à-vis the schools Foundation. It was found that 54 (67.5%) were male, while 26 (32.5%) were female. On investigating about their period of engagement with the schools, it was found that 42 (52.5%) had served the schools for 0-4 years, 25 (31.3%) had served for 5-9 years, while 13(16.2%) had worked for 10 year and above. The members of the Board were also rated at their religious affiliation status versus the Foundation of their schools, and it was found that 72 (90%) were of the same affiliation as their institutions, whereas 8(10%) had a different affiliation from that of the institutions.

The study further established that these members of the Board were also appointed basing on their status and influence in the community; some were selected on the grounds to financially support the school in particular ways, besides other kinds of influence. These formed the core reasons for the affiliation and appointment of members of the Board of Directors.

**Table 3.2 Status of members of Board of Directors**

| **Status** | **Frequency** | **Percentage** |
|---|---|---|
| Religious leader | 23 | 28.8 |
| Political leader | 15 | 18.8 |
| Businessman/woman | 13 | 16.2 |
| Educationist | 10 | 12.5 |
| Alumnus/Alumna | 8 | 10.0 |
| School Associate | 6 | 7.5 |
| Others | 5 | 6.2 |
| **Total** | **80** | **100** |

Results in Table 3.2 show the occupational status of members of the Board of Directors that majorly imply the reasons for their qualification for their stake in the school system. It was

found that 23 (28.8%) were religious leaders while 15 (18%) had political leadership within their community. Others included 13 (16.2%) as businessmen/women, 10 (12.5%) serving as educationists, while 8 (10%) having been Alumni/alumnae (Old boys/Old girls) of the particular schools. The study also revealed that 6 (7.5%) were associates (or well-wishers) of the schools, whereas 5 (6.2%) belonged to other undefined statuses. The appointment of members of the Boards of Directors was in the mandate of either the government (for government-aided schools) or Foundation Body (in the case of Private schools).

### 3.4.3 Parents

As illustrated in the above, the characteristic information of the parents based on gender revealed that 45 (28.1%) were male, while 115 (71.9%) were female. In regard to the period of time the parents in question were engaged with the particular schools, it was found that 127(79.4%) were part of the schools for 0 – 4 years, 24 (15.0%) had moved together with the schools for 5 – 9 years, while 09 (5.6%) had been with the school for 10 and above years. On the other hand, the parents' religious affiliation revealed that 128 (80%) shared the religious denominational affiliation with the school, while 32 (20%) parents belonged to a different religious from that of the school.

The researcher was also interested in ascertaining the occupational engagement of the parents since this had a strong bearing on their potential to finance the finance the school programs in an endeavour to facilitate their children in the selected schools.

**Table 3.3: Occupation of Parents**

| Status | Frequency | Percentage |
|---|---|---|
| Self-employed/Businessmen | 44 | 36.7 |
| Corporate/enterprise employees | 35 | 29.1 |
| Peasants | 30 | 25.0 |
| Civil Servants | 08 | 6.7 |
| Others | 03 | 2.5 |
| **Total** | **120** | **100** |

Results in Table 3.3 show that 44 (36.7%) of the parents were operating various kinds of businesses, where they earned a living, 35 (29.1%) were employed in different enterprises; corporate institutions, organisations and similar others, while 30 (25.0%) were peasants, who largely depended on agriculture. The study also found that 8 (6.7%) of the parents were Civil servants, while 3 (2.5%) depended on other various occupations, where they earned their living. From the researcher's observation, the general enrolment in the schools was:

### 3.5 Sampling Techniques

The study employed different sampling techniques to choose the study samples. The sample techniques gave chance to the members of the study population to be included in the sample size (Amin, 2004) Different sample groups were selected using different sampling techniques;

(i) Simple random sampling. This was used to select parents and denominational education secretariat staff within the target institutions. The method above was favoured because it allowed for the use of a large sample size.

(ii) Purposive sampling was also employed (Maxwell, 2005). The purposive sampling technique was used to select school administrators and Board of Governors members. The technique was used because it gave the research opportunity to choose key people that would furnish with important in-depth information regarding the issues under investigation.

### 3.6 Data collection Methods

The study mainly used interviews, questionnaire and documentary analysis to obtain the required data on school infrastructure, student enrolment, resources (school fees, school enterprises) and financial management practices that were useful in analyzing management of the financing of the selected institutions.

### 3.7 Data collection/study instruments

Data was collected using interview schedule and questionnaire. For personal interviews, an interview schedule was used. The study used structured, semi-structured or unstructured interviews, to allow school staff, parents and members of the Board of Directors to speak freely to generate useful information about the study. The unstructured interview offered the researcher advantage to uncover previously unforeseen information and also went beyond numbers and focus causes, impacts and characteristics. Documentary sources were also analyzed in order to find more about facts regarding financing of education institutions and the trend of funding regarding various institutions.

#### Questionnaire

A questionnaire was used to collect data from secondary school administrators in the church-founded secondary schools since these manned the day-today-business of church-founded schools. It comprised open-end and closed-ended questions concerning the funding sources, adequacy and alternative financing mechanisms. The questionnaires were prior "field tested" with other people similar to my respondents before finally administering them. This allowed improvement of unclear questions or procedures and detection of errors beforehand. The questionnaire was preferred for its ability to solicit responses from a varied cross-section of respondents for well-thought responses.

**Interviews**

The in-depth individual interviews were conducted following the following criteria: Twenty-two (22) teachers (from both private and government-aided secondary schools), fifteen (15) parents and then eight (8) members of the governing Board, within the participating schools. The interview was used to expressly capture responses involving personal feelings from the samples. The instrument was chosen for it builds a holistic snapshot, analyses words, and reports detailed views of the informants. It also enables respondents to speak in their own voice and express their own thoughts and feelings (Berg, 2007).

### 3.8 Quality control (Validity and reliability)

Validity and reliability of the instruments were tested. Reliability refers to the consistency of data collection measures (Amin, 2004). This is followed by three important factors of stability (is the measurement stable over time? is there confidence that there is no fluctuation meaning that the same measurement can be used again and again to test the same concept?); internal reliability (are the indicators used consistent? are scores from one indicator related to those of another?), and inter-observer consistency (when translating information into data are the judgments of subjective consistent, where more than one observer is translating information into data?). The overriding factor is that reliability means that it can be tested over and over again, and the information/data remains consistent.

On the other hand, validity indicates the accuracy of measurement (Mugenda and Mugenda, 2006). How accurate the survey/questionnaire is at measuring what it claims to measure? There are several ways of establishing validity as follows: Face Validity – the measure should reflect the content of the concept in the question. Does it actually measure the concept? Concurrent validity – the researcher might employ criterion to the ‘case ’or concept that is relevant to the initial question. Say the concept is ‘Job Satisfaction’ and the criterion for

testing this is 'nonattendance'. Predictive validity – where the researcher places 'future criteria' to the concept. Sticking with job satisfaction - Predictions of when people are most likely to be absent. This study used face validity which measured the content of the concept in question.

**Validity**

To ensure validity of the research instruments, validity test was carried out. Validity of the instruments was ensured through discussing with the supervisor concerning the suitability of such tools in data collection. Validity tests were also carried out to determine the relevance of the questions on the constructs using a Content Validity Index (CVI). This was done by performing Content Validity Index tests. Upon performing the test, the results that were 0.7 and above were interpreted to be valid. Amin (2005) notes that a CVI of more than 0.7 implies that the tool is valid. The researcher conducted a pilot study on one church-founded school in Kampala diocese, which was excluded in the final study sample of the selected schools.

**Table 3.4 Content Validity Index test for Questionnaire**

| **Variables** | **No. of items** | **Cronbach Alpha** |
|---|---|---|
| Source of funding | 14 | 0.772 |
| Financial resource allocation modalities | 11 | 0.814 |
| Alternative financing mechanisms | 12 | 0.781 |

**Table 3.5 Content Validity Index test for Interview Guide**

| **Variables** | **No. of items** | **Cronbach Alpha** |
|---|---|---|
| Source of funding | 6 | 0.701 |
| Financial resource allocation modalities | 5 | 0.888 |
| Alternative financing mechanisms | 6 | 0.766 |

**Reliability**

Reliability evaluates the stability of measures, internal consistency of the measurement instruments, and reliability of scores generated by a particular instrument (Amin, 2004). In this study, questions in the questionnaire were tested for its reliability. According to Guilford & Fruchter (1978), the correlation value of more than 0.80 can be considered to be high enough, showing an acceptable reliability (Orodho, 2012). To test the reliability of the instrument used for this study, a Cronbach Alpha reliability coefficient test will be conducted. As can be seen in table 3.1, all the variables recorded an above 0.5 Cronbach Alpha score and as such the research instrument was reliable (Nunnally, 1978; Serbetar, I., & Sedlar, I. (2016)). Hence, the instruments were considered suitable for research use, as they had a value of above 0.8.

**Table 3.6 Reliability Analysis for Questionnaire**

| Variable | No. of items | Cronbach Alpha |
|---|---|---|
| Source of funding | 14 | 0.874 |
| Financial resource allocation modalities | 11 | 0.858 |
| Alternative financing mechanisms | 12 | 0.841 |

**Table 3.7 Reliability Analysis for Interview Guide**

| Variable | No. of items | Cronbach Alpha |
|---|---|---|
| Source of funding | 6 | 0.774 |
| Financial resource allocation modalities | 6 | 0.814 |
| Alternative financing mechanisms | 5 | 0.823 |

**3.9 Procedure of data collection**

An introductory letter from the Makerere University School of Education was obtained to obtain permission to conduct research from the - institutions the research would visit for data collection. , Among institutions for which introductory letter was addressed to were the; local government

offices and education secretariats who had direct control over the church-founded schools for the denominations in question. Written permission to collect information at the various schools was then sought from the secretariats. Research assistants were trained and deployed in the four districts within the jurisdiction of the church. During the training, briefing of the assistants on how to administer the research tools, all items in the research tools were elaborated. The team used a 'delivery and collection' method of data collection, as preferred to mailed questionnaires (Sary, 2002).

The interview schedules for the teachers, members of the Board of directors and parents were hence done with ease. The researcher conducted the interviews at the local government and education secretariats. The response rate from questionnaires eventually emerged to be over 96%. According to Mugenda and Mugenda (1999), a response rate of 50 percent was taken to be adequate for analysis and reporting, a response rate of 60 percent is good while a response rate of 70 percent and above was very good. Data collection proceeded thereafter and data analysis and report writing followed.

### 3.10 Data analysis

All the data collected using the various instruments were coded for analysis. The researcher, after recording the responses, categorized and tallied them into each category under themes in order to draw relevant conclusions there from. Quantitative data analysed using descriptive and inferential statistical analysis, particularly frequencies and percentages, Pearson Correlation, was used to find out the relationship between financing mix and school effectiveness. Statistical techniques; charts, tables and graphs were used to analyse the data. This was used because statistics is a basic tool of measurement. analysis and a tool for enabling interpretation of data.

The data was analysed by following the themes that were identified in the major variables. Filled questionnaires were coded and the variables interpreted. Meaning/interpretation was rendered to data to identify overlaps and contradictions.

Qualitative data was analysed using thematic analysis. Examining aspects of attitude and personal interpretation of the phenomenon of funding was done. Data was interpreted according to the frequency of occurrence. All the factors involved in funding denomination-based education were considered. This helped to bring out the meaning and implication of the study. A qualitative data analysis process of fitting data together, linking and attributing consequences to themes (Polit & Beck, 2008) was followed. This was the process of conjecture and verification, correction and modification, suggestion and defense, etc. of notions relating to education financing for Church-founded secondary schools.

### 3.11 Ethical considerations

The informants were briefed about the aims and objectives of the study, for them to appreciate the motive of the study. Informed consents of participants were obtained before involving them in the study. Secondly, members of the sample groups were not subjected to any coercion. The privacy of participants was ensured so that no personal private data is collected from them. Voluntary participation of respondent was ensured. Consent of the informants was sought before engaging them in interviews or questionnaire.

The information obtained was treated with due confidentiality, only meant for compiling the dissertation. Works of various authors were acknowledged as they were cited using the American Psychological Association (APA) system in an appropriate format and no deception of any kind in reporting were held in the final work.

# CHAPTER FOUR

# DATA PRESENTATION, INTERPRETATION AND ANALYSIS

## 4.0 Introduction

In this chapter, presentation of the study results, interpretation of findings obtained in the study and analysis of results is offered. The study was guided by the following research questions:

1. What are the sources of financing church-founded secondary schools and its implications for school effectiveness in Uganda?
2. Which are the financial resource allocation modalities in church-founded secondary schools and its implications for school effectiveness in Uganda?
3. What are the alternative financing mechanisms for church-founded secondary schools and its implications for school effectiveness in Uganda?

The results of the study are presented based on the research questions of the study. General findings concerning the School financing situation is first presented in frequency tables. These are followed by the descriptive data, followed by their explanations and interpretation. Then qualitative results in terms of quotations from thematic analysis are presented. At the end of each research question, inferential statistics in terms of correlation tables are presented followed by their explanations and interpretation. Additionally, other inferential statistics of hypothesis testing for the three hypotheses of this study are presented.

**Table 4.1: The School Funding Situation**

| School funding | Frequency | Percent (%) |
|---|---|---|
| Private | 60 | 53.6 |
| Government | 44 | 39.3 |
| Donors | 4 | 3.6 |
| Partnership with government | 4 | 3.6 |
| **Total** | **112** | **100.0** |
| **Sources of money to finance school budget programmes** | | |
| School fees | 48 | 42.9 |
| Government use funds | 60 | 53.6 |
| Well wishers | 4 | 3.6 |
| **Total** | **112** | **100.0** |
| **Number of times you get funding from the main sources named in 2 above** | | |
| Monthly | 12 | 10.7 |
| Quarterly | 84 | 75 |
| Bi-annually | 4 | 3.6 |
| Annually | 8 | 7.1 |
| Others | 4 | 3.6 |
| **Total** | **112** | **100.0** |

*Source: Administrators' Questionnaire*

Results in Table 4.1 illustrate that many of the study respondents; 60 (53.6%) showed that they were relying on money from private funding, followed by 44 (39.3%) who rely on money from government funding, followed by 4 (3.6%) getting funding from donors and another 4 (3.6%) from partnership with the government.

Most of the study respondents; 84 (75%) indicated that much school financing is received in quarterly basis followed by12 (10.7%) who indicated that they received it monthly, followed by 8 (7.1%) who indicated that they received the funding from the particular source annually while the least number; 4 (3.6%) were for each of; bi-annually and in other category. These findings meant that respondents mostly received funding on quarterly basis.

**Table 4.2: Year of founding of Schools**

| Year(s) | Frequency | Percentage |
|---|---|---|
| 1891 – 1920 | 18 | 16.1 |
| 1921 – 1950 | 22 | 19.6 |
| 1951 – 1980 | 41 | 36.6 |
| 1981 – 2010 | 31 | 27.7 |
| **Total** | **112** | **100.0** |

*Source: Administrators' Questionnaire*

Results in Table 4.2 depict a particular trend in the founding of church-founded secondary schools in the central districts of Kampala, Mukono, and Namirembe dioceses. Between 1891 and 1920, 18 (16.1%) stated that their schools were founded while 22 (19.6%) said their schools were founded in 1921 – 1950). Other respondents; 41 (36.6%) revealed that their schools were founded in 1951 – 1980, while 31 (27.7%) reported that their schools had been founded in 1981 - 2010. The school age factor is significant; it essentially implies the cumulative quantity (and quality) of the infrastructure and development of the facilities.

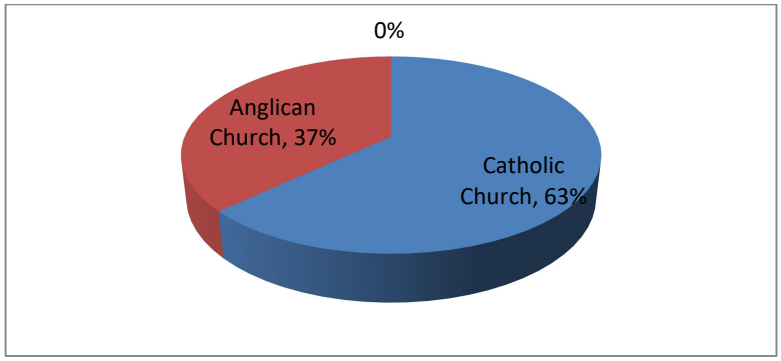
The researcher also sought to know the year of government intervention for the government-aided school or those that had partnered with the government in case of the universal secondary education policy. The findings are here by illustrated in table 4.7.

**Table 4.3: Year of government intervention in church founded schools**

| Year(s) | Frequency | Percentage |
|---|---|---|
| 1891 – 1920 | 21 | 18.8 |
| 1921 – 1950 | 32 | 28.5 |
| 1951 – 1980 | 29 | 25.9 |
| 1981 – 2010 | 30 | 26.8 |
| **Total** | **112** | **100.0** |

Results in Table 4.3 present the years of government intervention in the various schools in the study, whereby 21 (18.8%) of the respondents revealed that their schools had got government intervention between the years 1891 and 1920, while 32 (28.5%) said the government intervention was during the years; 1921 – 1950. The respondents that reported government intervention to have taken effect between the years; 1981 – 2010 were 30 (26.8%). Government intervention in particular schools has a significant impact on the current status and the level of development and/ or improvement, and hence effectiveness of particular church-founded schools. The study also sought to establish the Founders of the present secondary schools in terms of the religious denomination as illustrated:

**Figure 2: Current Secondary Schools by religious denominational founder**




Results in Figure 2 represent the pie chart illustrating 63% of the present schools having been originally started by the Catholic Church while 37% were founded by the Anglican Church Founders. The founders are either the pioneer missionaries or the present-day church, and the schools in question relate to either the present-day government-aided or the schools purely privately owned by the church.

**Table 4.4: Classification of schools in the study**

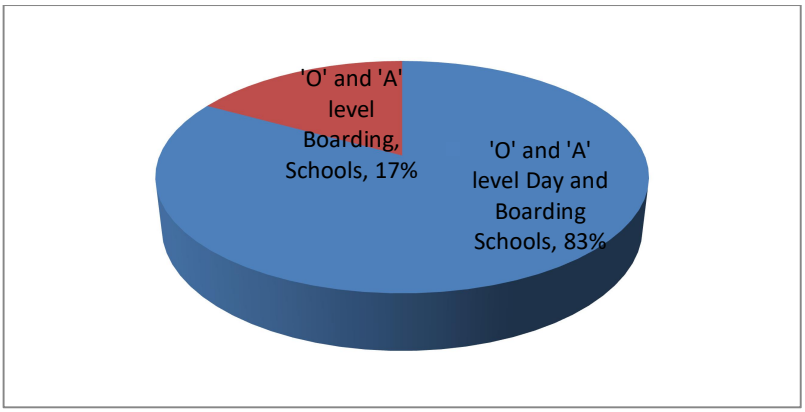
| Classification | Frequency | Percentage |
|---|---|---|
| Government-aided (Non-USE) | 20 | 17.9 |
| Government-aided; USE/UPOLET | 25 | 22.3 |
| Private school & Non-USE/UPOLET | 40 | 35.7 |
| Private school USE/UPOLET | 27 | 24.1 |
| **Total** | **112** | **100.0** |

*Source: Administrators'' questionnaire*

The results in Table 4.4 show 20 (17.9%) respondents revealed that their schools were Government-aided (Non-USE) while 25 (22.3%) said theirs were Government-aided; USE/UPOLET. More respondents; 40 (35.7%) reported that their institutions were purely Private church-founded schools and Non-USE/UPOLET. The other respondents; 27 (24.1%) revealed that the schools where they worked were Private schools and USE/UPOLET. The purely private church-founded secondary school category was mostly Catholic-founded unlike Anglican-founded schools where government-aided schools were over 90%.

More investigations into the school status led to the following findings illustrated in Figure 3:

**Figure 3: School status**



The results in Figure 3 above, show that the majority of the schools (83%) were both 'O' and 'A' level schools while the others (17%) were only boarding schools. The boarding status of some of the schools in the former category was in terms of hostels attached to the schools, some operated by private investors as service providers. This was so, given the school registration statues in the Ministry of Education and Sports, where some schools which were registered as Day schools may not necessarily operate a boarding section unless they are verified again and upgraded by the Ministry of Education and Sports.

In another classification of the sampled schools, it was evident that 54% were rural – urban schools, while 30% were suburban, and 16% were in urban setting, given the fact that the study area comprised schools in and around Kampala City and the surrounding districts. Results from the teachers' interview indicated that other school classifications; single sex or mixed, little (if any) bearing on the financing situation of the school.

## 4.2 STUDY RESULTS

### 4.2.1 Research Question 1: What are the sources of financing church-founded secondary schools and its implications for school effectiveness in Uganda?

This objective sought to establish the various sources of financing for the church-founded secondary schools and its implications for school effectiveness in Uganda. By use of the administrators' questionnaire, the following was found to be the prevalent sources of financing, as illustrated in Table 4.5.

**Table 4.5: Results on the sources of financing for church-founded schools**

| Assessment | Frequency | Percentage % |
|---|---|---|
| Parents (payment of tuition fees | 52 | 46.4 |
| Government aid (Teachers' salaries, Capitation grant – USE and, or UPOLET) | 26 | 23.2 |
| Donations/gifts from Friends and Well-wishers | 10 | 8.8 |
| Local school fundraising (e.g pledges, charity walks, dinners) | 8 | 7.1 |
| Grants from Non – governments Organizations (NGO's) | 5 | 4.6 |
| Parents – Teachers' Associations (PTA) | 4 | 3.6 |
| School projects (e.g Lockup shops, school farms, etc.) | 2 | 1.8 |
| School local sources (e.g School canteens, School bus, venue hire to outsiders, school uniforms etc). | 2 | 1.8 |
| Alumni (Associations and individuals) | 2 | 1.8 |
| Church (Foundation Body) | 1 | 0.9 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.5 show that 52 (46.4%) respondents reporting that their schools received financing from tuitions fees payment by the parents, while 26 (23.3%) got the funding from the government in terms of Teachers' salaries, USE and, or UPOLET Capitation grant. These were followed by 10 (8.8%) whose financing came from Donations/gifts from Friends and Well-wishers of the schools, as 8 (7.15%) got their financing from local school fundraising through pledges, charity walks and dinners. Other respondents; 5 (4.6%) mentioned Grants from NGOs as part of their funding and 4 (3.6%) from Parents-Teachers' Associations (PTA). The respondents that were getting their financing from School projects (such as Lockup shops, school farms, school recreational facilities), school local sources (such as School canteens, School bus, venue hire to outsiders, school uniforms) and Alumni (Associations and individuals)

were 2 (1.8%) in each category. Then finally, 1 (0.9%) respondent stated that they got funding from the Church as the Foundation Body for the school.

This result was confirmed by one of the teachers who remarked; “the little fees paid by students in USE or UPOLET programs here is meant to facilitate a few school requirements such as uniform, learning materials, library and science laboratory equipment to supplement the insufficient capitation grants from the government.”

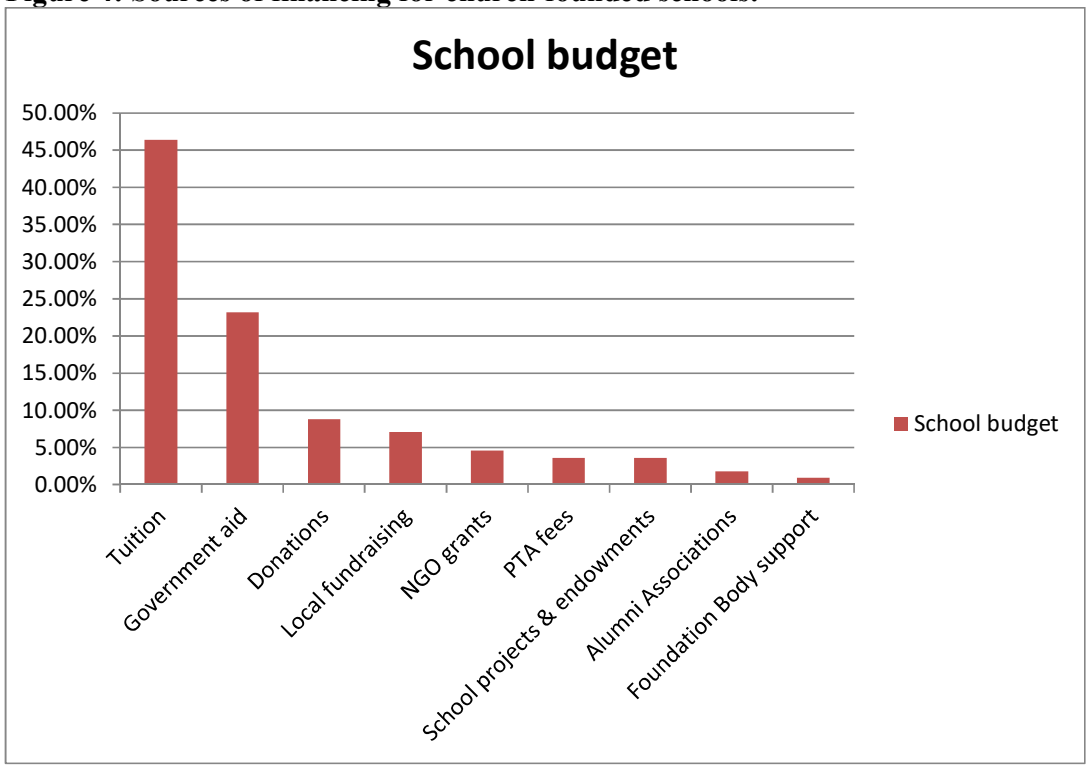
A few schools had some of their financing coming from donations/gifts from Friends and Well-wishers of the schools. The schools’ leadership through the Head teachers acted as school representatives, linking their schools to potential funding partnerships in terms of organisation and governance. The kind of donations received were mostly a kind of tied aid for specific purposes, as one teacher testified; “The World Bank selected our school for an international grant to develop the computer lab to serve as an I.T hub and Resources Centre connecting other schools in the area.”

Several other donations included those from benevolent alumni of the schools. Other local financing arrangements such as through pledges, charity walks and dinners were also part of the drive. Parents-teachers’ Associations (PTA) was also key in financing the school according to specific needs, identified by the school administration, and discussed in parents meeting.

School-based projects geared towards financing school needs were minimal within the church-founded schools in the area. Those available, such as canteens, school gardens, lock-up shops, recreational facilities, were not developed to full potential. Some of these projects were tendered to different individuals whereby the schools were only partners and hence, partially benefited from their proceeds as shareholders. Findings from a students’ focus group affirmed thus; “Our canteen is managed by the staff and at the end of each year, the generated profits from it are

shared amongst themselves (teachers), while the land is hired out to some community members, who use it for agricultural production such as growing of cash crops and pig-rearing."

**Figure 4: Sources of financing for church-founded schools:**




*(Source: Administrative questionnaire)*

The other item was to find out the frequency when the church-founded schools received funding from their three major sources, and the following was revealed; see Table 4.6:

**Table 4.6: Results on the Financing frequency used by the church-founded schools**

| **Assessment** | **Frequency** | **Percentage %** |
|---|---|---|
| Quarterly (Tuition fees & government grants) | 67 | 59.8 |
| Monthly (Proceeds from hiring school facilities) | 20 | 17.9 |
| Annually (Special fees like admission fees) | 11 | 9.8 |
| Bi-annually (From school fundraising drives) | 8 | 7.1 |
| Occasionally (Grants & donations) | 6 | 5.4 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.6, indicate that 67 (59.8%) respondents revealed that their schools received financing (tuition fees and government grants) quarterly following the school term system, while 20 (17.9%) others said that they received their financing in terms of proceeds from hiring school facilities on a monthly basis. Respondents that received special fees such as admission/registration fees annually were 11 (9.8%) whereas those that received their funding bi-annually; mostly from school fundraising drives were 8 (7.1%), followed by 6 (5.4%) others who got donations and grants (such as from NGO's and well-wishers) occasionally.

On the other hand, the situation of funding relating to financing sources for the church-founded schools was operationalized into nine quantitative items on which respondents were requested to do self-rating basing on a scale where 1 = Strongly disagree (SD), 2= Disagree (D), 3=Neutral (N), 4 = Agree (A) and 5 = Strongly agree (SA). Results obtained are presented in table 4.7;

**Table 4.7: Results on sources of financing in church funded secondary schools**

| Indicators of financing source | SD | D | N | A | SA | Mean | STD |
|---|---|---|---|---|---|---|---|
| The government always remits sizeable funding to school | 8 (7.1% | 32 (28.6%) | 20 (17.9%) | 36 (32.1%) | 16 (14.3%) | 3.178 | 1.202 |
| The school has benefactors who supplement the budget | 20 (17.9%) | 36 (32.1%) | 24 (21.4%) | 24 (21.4%) | 8 (7.1%) | 2.678 | 1.202 |
| The school is adequately financed by the foundation body | 28 (25% | 36 (32.1%) | 16 (14.3%) | 24 (21.4%) | 8 (7.1%) | 2.535 | 1.272 |
| Parents provide significant funding through tuition fee payment | 8 (7.1% | 8 (7.1%) | 00 (00%) | 64 (57.1%) | 32 (28.6%) | 3.928 | 1.104 |
| The parents are comfortable with the amount of school fees payable | 8 (7.1% | 12 (10.7%) | 4 (3.6%) | 60 (53.6%) | 28 (25% | 3.785 | 1.150 |
| Parents always make timely payment of school dues | 00 (00% | 16 (14.3%) | 4 (3.6%) | 76 (67.9%) | 16 (14.3%) | 3.821 | 0.851 |
| There are no students with school fees arrears | 20 (17.9%) | 16 (14.3%) | 36 (32.1%) | 20 (17.9%) | 20 (17.9%) | 3.035 | 1.328 |
| The school has projects which generate sizeable funding | 48 (42.9%) | 52 (46.4%) | 8 (7.1%) | 4 (3.6%) | 00 (00% | 1.714 | 0.752 |
| The community substantially finance the school | 92 (82.1%) | 16 (14.3%) | 4 (3.6%) | 00 (00% | 00 (00% | 1.214 | 0.491 |

Results in Table 4.7 show that most of the study respondents; 36 (32.1%) agreed that government remitted sizeable funding to the schools as opposed to 32 (28.6%) who disagreed while 20 (17.9%) were neutral. The respondents that strongly disagreed were 8 (7.1%) while 16 (14.3%) strongly agreed to the question whether the government remitted sizeable funding to the schools in question. These results indicated that to a certain level, government did remit sizeable funding to the schools in question. The mean value = 3.17 neutral implied that averagely respondents rated fairly on government remitting of sizeable funding to the school.

The standard deviation = 1.202 was low suggesting that respondents had similar views and opinions on government remittance of sizeable funding to the Church-founded Schools in the region. A half of the study respondents; 56 (50%) disagreed that the school had benefactors who supplemented the budget requirements compared to 32 (28.5%) who agreed, while 24 (21.4%) were neutral. This implied that to a smaller extent the schools had benefactors who supplement the budgets. The mean value = 2.678 was close to code 3 = neutral which implied uncertainty with the view that the schools had benefactors who supplemented the budgets, and most plausibly these were the private schools.

The majority of the study respondents; 64 (57.1%) disagreed that the schools were adequately financed by the foundation body as opposed to 32 (28.5%) who agreed, while 16 (14.3%) were neutral. This suggests that foundation bodies never adequately financed their schools. The mean value = 2.53 corresponding to code 3 (neutral) implied that respondents had little awareness that the denominational foundation bodies adequately financed schools. Most of the study respondents constituting 96 (85.7%) agreed that parents provided significant funding through tuition/fees payment as opposed to 16 (14.3% who disagreed. This implied that most of the respondents agreed that parents provide significant funding through tuition fee payment as the significant way of supporting their schools.

The majority of the respondents; 88 (78.6%) agreed that parents were comfortable with the amount of school fees payable, as compared to the 20 (17.9%) who disagreed while 4 (3.6%) were undecided. These results tallied with 3.787 corresponding to code 4 = agree. This meant that parents were generally comfortable with the amount of school fees payable. The standard deviation = 1.150 was low, suggesting that respondents had similar views and perceptions about comfortability of parents on tuition fees payable.

From the findings, 92 (82.1%) agreed that parents always made timely payments of school dues compared to 16 (14.3%) who disagreed, while 4 (3.6%) were neutral. This meant that parents generally made timely payments of school fees. The mean value = 3.821 was close to code 4 = agree which implied that parents always made timely payment of school dues. Further, the standard deviation = 0.851 was low suggesting that respondents had similar views and opinions about the timeliness of fees payment by most parents. A good number of the study respondents; 40 (35.7%) agreed that there were no students with school fees arrears, compared to 36 (32.1%) who disagreed to this assertion while an equal number; 36 (32.1%) were undecided. This meant that a few students still have school arrears. The mean value = 3.067 was close to code 3 = undecided. This further shows that fair rating on students having arrears.

Then concerning whether the schools had any projects for income generation, 100 (89.3%) respondents disagreed, compared to 4 (3.6%) who agreed, while 8 (7.1%) were undecided, giving a mean and standard deviation of 1.714 and 0.752 respectively. This implies that the majority of the schools in the study did not have such projects that complemented school funding. Finally, most of the study respondents 108 (96.4%) disagreed that the community supported the schools in regard to financing while none agreed that the community substantially financed the schools.

More so, 4 (3.6%) of the respondents were indifferent. This implied that the community probably did not contribute to school financing at all. These numbers and percentages of responses generally suggest that the sources of finances for the church-founded schools were really inadequate to meet the standards of an effective school. The mean values in general showed that respondents generally disagreed that their sources of funding were dependable enough, though some parents looked to have been comfortable with the fees and generally made

timely payments. The choice of the school may have had a bearing on the financial statuses of the individual parents.

The financing situation above revealed that most of the study respondents who agreed that government remitted sizeable funding to the schools were those in government-aided schools, while most of those who disagreed were in private schools. These results indicated that to a certain level, government did remit sizeable funding to the schools in question. The mean value = 3.17 neutral implied that averagely respondents rated fairly on government remittance of sizeable funding to the school.

The standard deviation = 1.202 was low suggesting that respondents had similar views and opinions on government remittance of sizeable funding to the Church-founded Schools in the region. This implied that to a smaller extent the school has benefactors who supplement the budget. The mean value = 2.678 was close to code 2 = disagree which implied disagreement with the view that the school has benefactors who supplement the budget, and most plausibly these were the private schools. The finding agrees with OECD (2018) cited in Asma & Pauline (2019) who observed that Philanthropic financing as a potential source of secondary school funding is extremely small. The mean values in general showed that respondents generally disagreed that their sources of funds were dependable enough. This may have had a bearing on the educational quality of the individual schools.

Qualitative findings on source of funds for church-founded secondary schools depended entirely on student tuition fees as sources of funds. That is on the question ‘what are the major sources of funds for church funded secondary schools. The findings on this question revealed that students especially those from privately funded secondary schools were the major sources of school funds. Most of the study participants in the study attested that students contribute over 90% of these school funds in terms of tuition fees.

The interview findings by one teacher respondent (a) also revealed,

> "*Students are the main source of funding for our school; most of the school budget funds are expected to come from students' fees payments".*

This meant that students are the centre of funds in the church-founded secondary schools.

Another participant (b) said;

> *"The amount of funds collected in this school depends on the number of students enrolled in the school. Without a reasonable number of students registering, school funds here drop down marginally".*

A few other participants identified other sources of financing in the church-owned secondary schools. One participant revealed that government and donor agencies, as well as friends of the school often contributed money to the school. This added,

> *"In my school though students contribute funds in form of tuition, the school also receives subventions in form of government subsidies to my school. These funds, in addition to grants and donations from church friends within Uganda and western world, have contributed significant amount of money to put up some income-generating projects in the school".*

Another participant (c) said;

> *"The school has development projects. These projects are internally managed by the school and have contributed huge sums of money for the maintenance and development of the school. Such projects included; animal farms, among others."*

Some schools have agricultural farms, have put up other business and compete favourably without side communities in business. Through this approach, these funds have in one way or the other helped to improve on schools' financial base.

Respondents were also asked to show their estimated budgets for their schools. The findings on this are hereby indicated in table 4.8

**Table 4.8: Results on the estimated term's budget for schools investigated**

| Termly budgets in UGX | Frequency | Percent |
|---|---|---|
| Below 100 million | 32 | 28.6 |
| 100 million | 16 | 14.3 |
| 200 – 399 million | 28 | 25 |
| 400 – 599 million | 24 | 21.4 |
| Above 600 million | 12 | 10.7 |
| **Total** | **112** | **100.0** |

*Source: Administrators' Questionnaire*

Results in Table 4.8 illustrate that most of the respondents; 32 (28.6%) showed that their quarterly school budgets were below 100 million Uganda shillings, followed by 28 (25%) who indicated that their budgets were between 200 – 399 million shillings. These were followed by 24 (21.4%) who indicated that their budgets were between 400-599 million Uganda shillings. Few of the respondents; 12 (10.7%) indicated that their school budgets amounted to above 600 million Uganda shillings. These findings suggest that the school budgets were really underfunded, and hence, required more robust financing interventions in order to enhance school effectiveness. Rating of the contribution of the various funding sources was done by the respondents, and the results are hereby shown in Table 4.9 below:

**Table 4.9: Rating of contribution from the various sources of school financing**

| Assessment | Frequency | Percentage % |
|---|---|---|
| Local sources/tuition | 50 | 44.6 |
| Government | 48 | 42.9 |
| External sources/grants (donors, well-wishers), | 9 | 8.0 |
| Foundation Body | 3 | 2.7 |
| Community | 2 | 1.8 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.9 show that 50 (44.6%) respondents rated the contribution from tuition payment by parents highest, followed by 48 (42%) who rated the contribution from government to be substantial. More 9 (8.0%) respondents thought the funding from external sources such as

donations/grants and gifts from donors and well-wishers. Other respondents; 3 (2.7%) stated that the Foundation Body's financing contribution was sizable while 2 (1.8%) thought the community had some contribution in regard to their school financing.

Qualitative findings on source of funds for church-founded secondary schools depend entirely on student tuition fees as sources of funds. That is on the question 'what are the major sources of funds for church funded secondary schools'. The findings on this question revealed that students especially those from privately funded secondary schools are the major sources of school funds. Most of the study participants in the study attested that students contribute over 90% of these school funds. One of these secondary school respondents (d) of the Board of directors said

> *"Students are the main source of funds for our school, most of the school budget funds are expected to come from students' fees payments".*

This meant that students are the centre of funding in the church-founded secondary schools.

Another participant (e) 'said;

> *"The amount of funds collected in this school depends on the number of students enrolled in the school. Without a reasonable number of students registering, school funds here drop down marginally".*

This also concretizes the notion that funds in church-founded secondary schools are acquired from students. However, a few participants identified other sources of funds in the church-owned secondary schools. One of these identified government and donor agencies especially friends of the school as having much to contribute as funds of the school. A respondent (f) remarked,

> *"In my school though students contribute money in form of tuition, the school also receives subventions in form of government subsidies to my school. These funds, in addition to grants and donations from church friends within Uganda and abroad, have contributed significant amount of money to put up development projects within the school".*

These findings also meant that the government together with the church friends also contribute funds for the good of these schools.

Another participant (g) said;

> *"The school has development projects. These projects are internally managed by the school and have contributed money for the maintenance and development of the school. Such projects included; animal farms, gardens, among others."*

Some schools have agricultural farms, have put up other business ventures which compete favourably without side communities in business.

Through this approach, these funds have in one way or the other helped to improve on schools' financial base. Financial resource allocation modalities in church founded secondary schools.

On the whole, funding of church-founded secondary schools in the central metropolitan dioceses related more; tuition payment by parents, government sources, where more of the government-aided schools were benefactors of the government-aid system, either mainly or as mere partners in regard to universalisation of education.

In addition to the descriptive analysis, it was essential to establish the correlation between the key variables, since the relationship between them was crucial in impacting their effect on each other and the overall financing of secondary school education (Ghosh, 1999). All factors were correlated so as to ensure that all effects in their varying magnitudes were examined. This correlation examination was done basing on issues emanating from each research objective and/ or research question. The questionnaire used was that of the secondary school administrators. This was done since the administrators are more concerned with the day-to-day running of the school affairs including management of the financing aspect.

**Table 4.10: Pearson's correlation coefficient index between financial sources and effectiveness of church funded schools**

| | | Effectiveness | Financial sources |
|---|---|---|---|
| Effectiveness | Pearson correlation<br>Sig. (2 tailed)<br>N | 1<br><br>108 | 0.053<br>0.589<br>108 |
| Financial sources | Pearson correlation<br>Sig. (2 tailed)<br>N | 0.053<br>0.589<br>108 | 1<br><br>112 |

Results in Table 4.10 show Pearson's correlation coefficient index between financial sources and effectiveness of church-founded secondary schools; r = 0.053 and sig. = 0.589 greater than 0.05. This meant that financial sources insignificantly related with effectiveness of the selected church-founded secondary schools in the study. These results showed that even if funded by government or using money from other sources like tuition, donations or grants the effectiveness of church-founded schools would remain constant.

**Verification of Research Hypothesis One:** The hypothesis stated that: there is a positive significant relationship between sources of financing and school effectiveness in church-founded secondary schools in Uganda. The hypothesis was tested using Regression Analysis and Analysis of Variance and the results are given.

**Table 4.11 Regression Analysis for the relationship between sources of financing and school effectiveness of church-founded secondary schools in Uganda**

**Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of the estimate |
|---|---|---|---|---|
| 1 | .765[a] | .585 | .421 | .57116 |

a. Predictors: (Constant), sources of financing

Table 4.11 provides the R and R2 value. The R value is 0.765, which represents the simple correlation and, therefore, indicates a moderate degree of correlation. The R2 value indicates how much of the dependent variable, school effectiveness can be explained by the independent variable sources of financing. The standard error of the estimate is .51116 and the adjusted R square value is 0.585. Therefore, the adjusted square value of .421 implied that sources of financing predict school effectiveness; in other words, school effectiveness is dependent on sources of financing by 42.1%.

**Table 4.12: Analysis of Variance Showing the Results on the Relationship between sources of financing and school effectiveness of church-founded secondary schools in Uganda**

**ANOVA** [b]

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | .335 | 1 | .335 | 1.282 | .260[a] |
| | Residual | 30.309 | 116 | .261 | | |
| | Total | 30.644 | 117 | | | |

b. Predictors: (Constant), source of financing

c. Dependent Variable: school effectiveness

These are the degrees of freedom associated with the sources of variance. The total variance has N-1 degrees of freedom. The Regression degrees of freedom correspond to the number of coefficients estimated minus 1. Including the intercept, there are 5 coefficients, so the model has Model Summary .765 a .585 .421 .51116 Model 1 R R Square Adjusted R Square Std. Error of the Estimate a. Predictors: (Constant), planning ANOVA b .335 1 .335 1.282 .260 a 30.309 116 .261 30.644 117 Regression Residual Total Model 1 Sum of Squares df Mean Square F Sig. a. Predictors: (Constant), planning b. Dependent Variable: Resource Curse 61 5-1=4 degrees of freedom. The Error degree of freedom is the DF total minus the DF model, 117 - 1 =116. Mean Square are the Mean Squares, the Sum of Squares divided by their

respective DF. The F-statistic is the Mean Square (Regression) divided by the Mean Square (Residual) .335/.261=1.282. The p-value is compared to some alpha level in testing the null hypothesis that all of the model coefficients are 0. The full model is not statistically significant (F = 1.282, df = 117, 1, sig.= .260), even though resource curse was statistically significant (p>.05) by itself. The value for this table had a total degree of freedom of 117 because four observations had missing data and were not included in the analysis. The other degree of freedom corresponds to the intercept (constant) of the regression line. F-Statistics is 1.282, given the strength of the correlation, our model is statistically significant (p > .0005).

From the interviews, one respondent (h) observed,

> *"A government policy guideline states that schools should purchase stocks in bulk and take advantage of prices under economies of scale. With many business enterprises willingly give higher discounts on bulky purchases, secondary school is bound to benefit financially from cash discounts offered whenever they buy goods in large quantities from one source".*

### 4.2.2 Research Question 2: Which are the financial resource allocation modalities in church-founded secondary schools and its implications for school effectiveness in Uganda?

This objective dealt with financial allocation modalities of church-founded secondary schools and its implications for school effectiveness in Uganda. It has been envisaged that budgeting, financial administration and management are some of the key features of school financing. To ascertain the nature of the financing base for the institutions, the researcher investigated if the schools had any donors or not. Their responses are hereby illustrated in Table 4.13 below:

**Table 4.13: Results on whether donors finance schools investigated**

| Response | Frequency | Percentage % |
|---|---|---|
| Yes | 12 | 10.7 |
| No | 100 | 89.3 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.13 show that 12 (10.7%) respondents reported existence of donors for their schools while 100 (89%) declared that they did not have donors to supplement their school budgets. This implies a general lack of donors in the schools within the study, and as such, other funding mechanisms should be dominantly prevalent.

For those that stated availability of donors for their schools, the researcher wanted to know the type of aspects these donors targeted their financing within the various schools. Table 4.14 below thus depicts the key aspects where the donors directed their funding, for the financing was mostly restricted.

**Table 4.14: Results on school donor funding allocations**

| What donors fund | Frequency | Percentage % |
|---|---|---|
| School development | 5 | 41.7 |
| Academics | 4 | 33.3 |
| Co-curricular activities | 2 | 16.7 |
| Staff welfare | 1 | 8.3 |
| **Total** | **12** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.14 represent those respondents who declared that they had donors for their schools, out of whom 5 (41.7%) said the donors restricted the funding to school development especially in terms of building school infrastructure. The other 4 (33.3%) declared that the financing had been allocated for academic programs while 2 (16.7%) reported the money had been earmarked for co-curricular activities, and then 1 (8.3%) pointed out that the funding was meant for staff welfare. The analysis implies that the donors usually target their donations for a particular purpose as regard to the individual school.

The study went forth to ascertain the various programs on which the schools majorly expended money as commended in the general annual/quarter budget. This was assessed using over 11-

unit centres on which finances are allocated. On these items, respondents were requested to show the percentage allocated on each of the different unit centres. Table 4.15 gives the different finance allocation centres.

**Table 4.15: Results on Resource allocations done by schools investigated**

| **Budget aspect** | **Percentage allocation** | | | | |
|---|---|---|---|---|---|
| | 0 - 20% | 21 - 40% | 41 - 60% | 61 - 80% | 81 - 100% |
| Salaries | 00 | 4 (3.6%) | 16 (14.3%) | 28 (25%) | 64 (57.1%) |
| Domestic expenses | 12 (10.7%) | 28 (25%) | 20 (17.9%) | 52 (46.4%) | 00 |
| Administrative expenses | 56 (50%) | 44 (39.3%) | 8 (7.1%) | 4 (3.6%) | 00 |
| Health and sanitation | 76 (67.9%) | 32 (28.6%) | 00 | 4 (3.6%) | 00 |
| Delegated responsibilities | 72 (64.3%) | 16 (14.3%) | 8 (7.1%) | 12 (10.7%) | 4 (3.6%) |
| Instructional materials/services | 40 (35.7%) | 24 (21.4%) | 28 (25%) | 8 (7.1%) | 12 (10.7%) |
| Transport | 68 (60.7%) | 16 (14.5%) | 8 (7.1%) | 20 (17.9%) | 00 |
| Co-curricular activities | 92 (82.1%) | 12 (10.7%) | 8 (7.1%) | 00 | 00 |
| Finance costs | 88 (78.6%) | 20 (17.9%) | 4 (3.6%) | 00 | 00 |
| Land conservation | 68 (60.7%) | 32 (28.6%) | 12 (10.7%) | 00 | 00 |
| Building and construction | 40 (35.7%) | 40 (35.7%) | 20 (17.9%) | 12 (10.7%) | 00 |

*Source: Administrators' Questionnaire*

According to results in Table 4.15, most of the study respondents; 64 (57.1%) indicated that over 81 - 100 percent of their school budgets was being spent on teachers' salaries, followed by 28 (25%) who indicated that it was 61 – 80% while few 4 (3.6%) revealed that it was only 21 - 40% of the budget that was being spent on teachers' salaries. These findings hence revealed that a big portion of school budget funds was being spent on teachers' salaries.

In addition, many of the study respondents 52 (46.4%) indicated that 61 - 80% of their school budgets was being spent on domestic expenses, followed by 28 (25%) who indicated that they dedicated 21 - 40% of their budgets while 12 (10.7%) indicated that they earmarked 0 - 19% of the school budget to be spent on domestic expenses. These findings revealed that domestic

expenses like food, firewood and students'/staff welfare indeed took a substantial portion of the school budgets.

Most of the study respondents 56 (50%) revealed that school administrative expenses take over 1 - 19% of the school budget, followed by 44 (39.3%) who indicated that they took 21 - 39% while 4 (3.6%) indicated that they used 61 - 80% of the school budgets for this vote. These percentages suggested that administrative expenses were consuming less of the school budgets compared to other items. Then on Health and sanitation, the majority of the study respondents; 76 (67.9%) revealed that they used between 0 - 19% of the school budget, followed by 32 (28.6%) who indicated that they took between 21 - 40% while 4 (3.6%) revealed that they consumed between 61 - 80% of the school budgets for this particular item. These findings meant that, though health and sanitation is such an important aspect, it took less of the school budgets in the church-funded secondary schools where this study was carried out.

On the item of delegation of responsibilities, the majority of the respondents 72 (64.3%) indicated that they took between 0 - 20% of the school budgets, followed by 16 (14.3%) who revealed that took them between 21 - 40% of the school budgets while 4 (3.6%) revealed that the item cost between 81 - 100% of the school budgets. These findings, therefore, meant that delegation of responsibilities is allocated less funds from school budgets.

In regard to tuition (instructional materials and/ or services as a vote on the school programme, most of the respondents; 40 (35%) declared that they were spending between 0 – 20% of the school budgets, followed by 28 (25%) who stated that they were using 41 – 60% of the school budgets while 24 (21.4%) revealed that they used 21 – 40% of the budgets. Then over 12 (10.7% of the respondents stated that this item took them between 81 – 100% of the budgets, while 8 (7.1%) revealed that this item took between 61 – 80% of the budget. These percentages

indicate that tuition was such a significant aspect of the school program, so it had to be allocated substantial portion of the school budget.

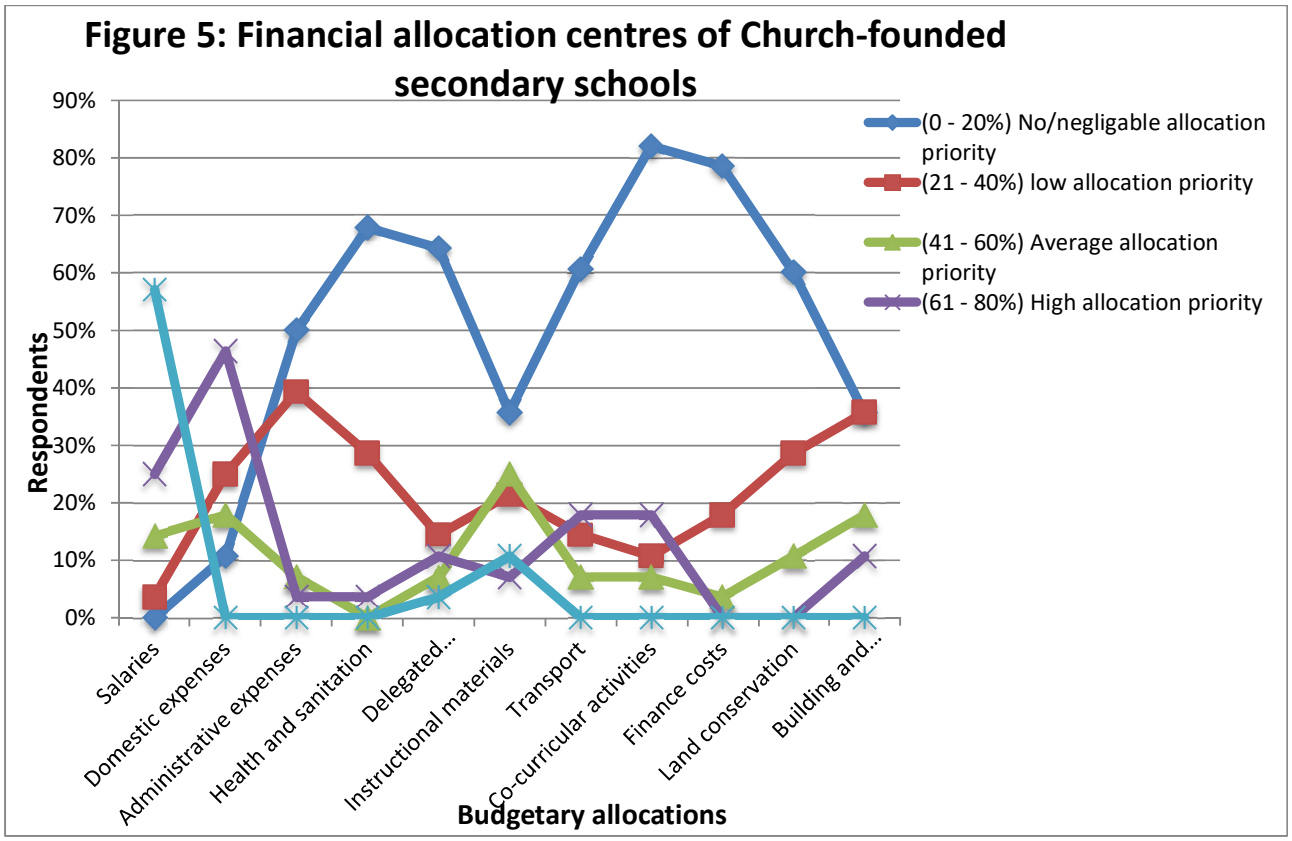
Most of the study respondents; 68 (60.7%) indicated that 0 - 19% of the school budget was being spent on transport facilities, compared followed by 20 (17.9%) who revealed that over 61 - 80% of their budget was being spent on transport, followed by 16 (14.3%) who showed that 21 - 40% of the school budget is spent on transport and 8 (7.1%) showed that transport takes 41 - 60% of their schools' budgets. These percentages revealed that transport took less of their school budgets while the least 8 (7.1%) indicated that it took 41 - 60% of the schools' budgets. Similarly, these results implied that co-curricular activities took less of school budgets; indicated by 92 (82.1%) respondents, that it had taken between 0 – 20% of the school budgets, while 12 (10.7%) indicated that it had taken 21 – 40% of the budgets, and only 8 (7.1%) mentioned that the item had consumed 41 – 60% of the school budgets.

Finance cost, on the other hand, took only 0 – 20% of the school budget as indicated by 88 (78.6%) respondents, followed by 20 (17.9%) indicating that transport had taken 21 – 40% of the budgets while only 4 (3.6%) stated that they had used 41 – 60% of the school budgets. These findings implied that finance costs took a less portion of finance allocation on the school budget. Then a number of 68 (60.7%) respondents indicated that land conservation took between 0 - 20% of their school budgets, followed by 32 (28.6%) who indicated that it took between 21 - 40% while the least 12 (10.7%) indicated that it was allocated between 41 - 60%.

These results also suggested that most of the church-funded secondary schools in the central districts/region were allocating limited finances on conservation. Finally, the number of the study respondents that showed that the school budget allocated for building and construction ranged between each of 0 - 20% and 21 - 40% was the same; 40 (35.7%). This was followed by 20 (17.9%) who indicated they had allocated 41 - 60% and few; 12 (10.7%) showed that

building and construction was allocated between 61 - 80% of the school budget. These results implied that to some extent building and construction was being allocated a fair budget among the church-founded secondary schools in the central districts.

These results, on the whole, suggested that salaries, domestic expenses especially those that are related with meeting students' and staff welfare, tuition and construction took a relatively big percentage of the budget allocations; over 70% while other aspects like co-curricular activities, land conservation, finance costs, transport, health and sanitation, delegated services took a less portion of the budget allocations.




The study went forth to find out if the Foundation Body in question (the Church) really supported her schools in any ways. Here below thus, follows the assessment of the respondents as illustrated in table 4.16.

**Table 4.16: Results on the Financially Related Support from the Foundation Body Schools investigated**

| Assessment | Frequency | Percentage % |
|---|---|---|
| Recommends school in case of applying for loans. | 24 | 21.4 |
| Provides land for school situation (premises) | 23 | 20.5 |
| Built the initial infrastructure | 21 | 18.8 |
| Provide potential funding networks for the school. | 13 | 11.6 |
| Though fundraising support (e.g. invites or recommends guests) | 10 | 8.9 |
| Providing material support eg construction items such as cement, timber. etc | 8 | 7.1 |
| Provides school land for agricultural projects | 6 | 5.4 |
| Provides platform for mobilizing students (e.g. through announcements) | 4 | 3.6 |
| Giving bursaries to needy students | 3 | 2.7 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.16 represent the respondents' views on the school financing contribution of the church as the Foundation Body, whereby 24 (21.4%) submitted that the Church, as the key stakeholder in the school usually recommended the school in case of applying for loans for school programs. More 23 (20.5%) revealed that the Church provided the much-needed land for school establishing the school; premises, compound and other facilities, whereas 21 (18.8%) reported that the Church had built the initial infrastructure (buildings and other facilities).

More still, other 13 (11.6%) disclosed that the Foundation Body provided potential funding networks for the school, and then 10 (8.9%) said the Church was offering fundraising support through inviting or recommending guests, who would bring in reasonable financial support. Other respondents; 8 (7.1%) said the Church provided material support in terms of construction items such as cement, timber, and/ or labour for accomplishing the tasks at the school.

Those who suggested that the Foundation Body was sometimes lending the school land for agricultural projects were 6 (5.4%), while the ones that revealed the Church was providing platform for mobilizing students through marketing messages and announcements, and hence beefing up the enrolment church announcements were 4 (3.4%). On this note, finally, 3 (2.7%) reported that the church was giving bursaries/scholarships to needy students to study within particular church-founded schools. All in all, the Church as the Foundation Body generically rendered a supporting role to particular schools other than directly contributing finances.

More qualitative findings on funding allocation in church-founded secondary schools indicated that these funds were being allocated mainly on payment of teacher salaries and allowances. One of the participants (g) indicated thus;

> "*Secondary school budgets consume over 60% of the school budgets. Most of the secondary schools where the government is not directly responsible for paying teachers' salaries like this one face challenges to pay teachers' salaries"*.

Another participant (e) from the governance 'said that;

> *"Every subject in secondary school has a number of two-three teachers. As school governance at times we are forced to recruit part-time teachers. However, the burden of paying their salaries, allowances and benefits remains in our hands to ensure quality service delivery. But at times the available finances may not allow us pay their salaries diligently".*

These findings thus showed that in general salaries take the biggest portion of school budgets since teachers (competent teachers) are too expensive to acquire.

On the same question, another participant revealed that most of the funds were being allocated on equipment, chemicals and facilities for science-related subjects: A respondent (h) remarked,

> *"In my observation, the policy of promoting sciences has forced us to construct laboratories, buy chemicals and equipment expensively, to attract more students and to meet government expectations".*

This observation implies that when sciences are not allocated finances, schools tend to lose students who search better schools with better stocked science laboratories and related facilities. Another study participant identified that funds collected were being spent on organizing other science related activities like training for science workshops, while other funds were being allocated on developing the school in general. Another participant (d) said,

> *"The infrastructural development in the school has highly consumed funds mobilized. For instance, last year the school did not have a computer laboratory, which ended up consuming huge sums of money from the school budget".*

In another school, one member on the governing Board (i) said;

> *"Money from the school budget is majorly spent on building more classrooms, office-space, teachers' accommodations and meeting teachers' and students' welfare needs".*

With much emphasis on these, there is no doubt a school budget and funds become almost inadequate to meet church-founded secondary school needs. The study thus went forth to find out the non-financial attributes that characterised the Church's support as the Foundation Body. These endeavours defined the Church more as a caretaker for her own education initiatives, as illustrated in Table 4.17.

**Table 4.17: Results on the other (non-financial) contributions from the Foundation Body**

| **Assessment** | **Frequency** | **Percentage %** |
|---|---|---|
| Conducting school Liturgical celebrations | 26 | 23.2 |
| Giving spiritual direction/talks | 19 | 17.0 |
| Providing chaplaincy pastoral work/services | 16 | 14.3 |
| Providing patronage by Board members | 15 | 13.4 |
| Providing career guidance and counselling | 14 | 12.5 |
| Introducing religious clubs (Prolife, Bannakizito, Karolines) | 12 | 10.7 |
| Providing moral training to students | 10 | 8.9 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.17 represents the other contributions of the church as the foundation body, according to the respondents are several, with 26 (23.2%) stating that the Church (leaders) conduct liturgical celebration for the school community, while 19 (17.0%) related it to offering of spiritual direction through talks and related services to the students and staff. The respondents mentioning provision of chaplaincy – pastoral work were 16 (14.3%) while others mentioning provision of patronage by the Board of Director (members) were 15 (13.4%). Other respondents; 14 (12.5%) intimated that the church provided career guidance and counselling, whereas 12 (1.7%) others gave introduction of religious clubs such as Prolife, Bannakizito, Karolines, among others.

The church also provided moral training lessons to students, according to 10 (8.9%) respondents. In a nutshell, the foundation body was concerned with the day-to-day caretaking of the students and staff in terms of improving their moral standards. On analysing the allocation modalities of the Church-founded schools, the study looked at how the surplus income from the available sources was being spent.

It was thus found that various schools had different notions of expending their surplus income, besides the spending on academic programs.

**Table 4.18: Findings on how schools use the surplus income from various sources**

| Assessment | Frequency | Percentage % |
|---|---|---|
| Academics empowerment for better performance | 19 | 17.0 |
| Furnish school library | 18 | 16.1 |
| Allocates extra money to essential votes on school budget such as co-curricular activities | 17 | 15.2 |
| Repair/rehabilitate infrastructure structures | 16 | 14.3 |
| Income-generating activities (projects) | 13 | 11.6 |
| Refurbish laboratories | 10 | 8.9 |
| No surplus income | 10 | 8.9 |
| Buys food for students and teachers | 6 | 5.4 |
| Give allowances/bonuses to motivate staff | 3 | 2.6 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.18 indicate the results that the surplus income item was responded to by 19 (17.0%) respondents reporting that any surplus income at their school was still used for academic empowerment programs that would stimulate better performance. The other respondents; 18 (16.1%) stated that the money would be used to furnish the school library while 17 (15.2%) reported that the surplus was used for satisfying any of the essential votes on the school budget such as co-curricular activities. The surplus income was also used to repair/rehabilitate the school infrastructure as revealed by 16 (14.3%), yet still 13 (11.6%) confirmed the money was being used to invest in income generating projects.

The number of respondents revealing that the surplus was being used to refurbish laboratories was the same as those who said they never received any surplus income in their school; 10 (8.9%). The respondents that revealed that the surplus was being used for purchasing food for students and teachers were 6 (5.4%) while those saying that it was being used for facilitating staff allowances/bonuses for motivation were 3 (2.6%). Hence, as revealed by the respondents,

in question a line between surplus income and operational income for the general running of the school would not easily be drawn.

To ascertain whether financial sources allocation had a relationship on effectiveness of church-founded schools, the two were related using Pearson's correlation coefficient index as in tables.

**Table 4.19: Pearson's correlation coefficient index between financial allocation modalities and effectiveness of church funded schools**

| | | Effectiveness | Financial allocation |
|---|---|---|---|
| Effectiveness | Pearson correlation<br>Sig. (2 tailed)<br>N | 1<br><br>108 | 0.048<br>0.619<br>108 |
| Financial allocation | Pearson correlation<br>Sig. (2 tailed)<br>N | 0.048<br>0.619<br>108 | 1<br><br>112 |

Results in Table 4.19 show Pearson's correlation coefficient index between financial allocation modalities and effectiveness of church funded secondary schools; r = 0.048, sig. = 0.619 greater than 0.05. This implied that there is an insignificant relationship between financial allocation and effectiveness of church funded secondary schools.

**Verification of Research Hypothesis Two:** The hypothesis stated that: there is a positive significant relationship between financial resource allocation modalities and school effectiveness of church-founded secondary schools in Uganda. The hypothesis was tested using Regression Analysis and Analysis of Variance and the results are given.

**Table 4.20: Regression Analysis for the relationship between financial resource allocation modalities and school effectiveness of church-founded secondary schools in Uganda**

**Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of the estimate |
|---|---|---|---|---|
| 1 | .471[a] | .221 | .199 | .57540 |

d. Predictors: (Constant), financial allocation modalities

Table 4.20 provides the R and R2 value. The R value is 0.471, which represents the simple correlation and, therefore, indicates a moderate degree of correlation. The R2 value indicates how much of the dependent variable, school effectiveness can be explained by the independent variable alternative financing mechanisms. The standard error of the estimate is .51540 and the adjusted R square value is .199. Therefore, the adjusted square value of .199 implied that alternative financing mechanisms positively predicts school effectiveness; in other words, school effectiveness is dependent on alternative financing mechanisms by 19.9%.

**Table 4.21: Analysis of Variance Showing the Results on the Relationship between financial resource allocation modalities and school effectiveness of church-founded secondary schools in Uganda**

**ANOVA [b]**

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | .115 | 1 | .115 | .434 | .511[a] |
| | Residual | 30.549 | 115 | .266 | | |
| | Total | 30.664 | 116 | | | |

e. Predictors: (Constant), financial allocation modalities

f. Dependent Variable: school effectiveness

These are the degrees of freedom associated with the sources of variance. The total variance has N-1 degrees of freedom. The Regression degrees of freedom correspond to the number of

coefficients estimated minus 1. Including the intercept, there are 5 coefficients, so the model has 5-1=4 degrees of freedom. The Error degree of freedom is the DF total minus the DF model, 116 - 1 =115. Mean Square are the Mean Squares, the Sum of Squares divided by their respective DF. The F-statistic is the Mean Square (Regression) divided by the Mean Square (Residual) .115/.266=.434. The p-value is compared to some alpha level in testing the null hypothesis that all of the model coefficients are 0. The full model is not statistically significant (F = 0.434, df = 116, 1, sig.= .511), even though school effectiveness was statistically significant (p>.05) by itself. The value had a total degree of freedom of 116 because four observations had missing data and were not included in the analysis. The other degree of freedom corresponds to the intercept (constant) of the regression line. F-Statistics is 0.434, given the strength of the correlation. The model is statistically significant (p > .0005).

Wood hall (1995) posits that effective policies are essential for quality education. Effective financing polices are likely to create a situation that would ensure meeting institutional goals and objectives such as effective teaching and learning, academic performance, talent development, among others, which is key in ensuring quality of education and effectiveness. One respondent 'a' interviewed on this aspect argued,

> *"Careful planning of expenditure as well as involving all concerned parties in addressing budget shortfalls is critical to ensuring their success. The school's management should also pursue various options individually or in combination in addressing school needs".*

Another interviewed respondent 'b' then said,

> *"School income-generating activities are fast becoming a significant source of funding for the schools and are especially instrumental in providing extra funds for addressing school budget deficits. The incomes derived from these projects are reliable compared to some of the other sources of income ".*

### 4.2.3 Research Question 3: What are the alternative financing mechanisms for church-founded secondary schools and its implications for school effectiveness in Uganda?

The third objective of this study focused on funding coping mechanisms for educational effectiveness of church-founded secondary schools and its implications for school effectiveness in Uganda. It was prior argued that the twin goals of expanding Secondary education and maintaining its equitable access in Uganda are inextricably linked to the issue of adequate funding that can be galvanised through various fronts. Table 4.22 represents responses on how various schools salvage the situation in case of a deficit budget.

**Table 4.22: Results on how schools cope in case of a Deficit Budget**

| Assessment | Frequency | Percentage % |
|---|---|---|
| Demand school debtors, prompting them to pay | 14 | 12.5 |
| Withdraw some votes/activities | 14 | 12.5 |
| Push payments to another term or year | 13 | 11.6 |
| Negotiate with suppliers to postpone cash payments | 11 | 9.8 |
| Staff get part of the salary | 11 | 9.8 |
| Acquire loans from SACCO or bank to complete up the term | 10 | 8.9 |
| Debt rescheduling | 9 | 8.0 |
| Cut on the budget expenditure | 9 | 8.0 |
| Borrow from overdraft /bank | 8 | 7.1 |
| Borrow from the Foundation Body | 6 | 5.5 |
| Do fundraising drive | 3 | 2.6 |
| Borrow from friends and well-wishers | 2 | 1.8 |
| Ignore/Postpone some votes (items on the budget) | 2 | 1.8 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.22 show that 14 (12.5%) respondents who revealed that their schools instead demand school debtors and prompt them to pay, in order to deal with the deficit budgets, and

indeed the same number; 14 (12.5%) withdraw some votes/activities from the budget in question, to deal with the deficit. Other respondents, who instead push payments to another term or year, were 13 (11.6%), 11 (9.8%) negotiate with suppliers to postpone cash payments, similar to those that said they paid staff only part of the salary, while those that reported acquisition of loans from SACCO or bank to finish up the term were 10 (8.9%).

Likewise, those that reported debt rescheduling and cutting of the budget expenditure were 9 (8.0%) for each endeavour. The other 8 (7.1%) borrowed from bank overdraft while 6 (5.5%) said that they borrowed from the Foundation Body. Those that said in order to deal with a deficit budget they did fundraising drives were 3 (2.6%), finally 2 (1.8%) mentioned that the schools borrowed from friends and well-wishers, and similarly, 2 (1.8%) stated that their schools postponed some votes (items on the budget) to subsequent budgets.

It was ascertained that the secondary schools in the study had several stakeholders; these ranged from students and staff, to parents, old students, friends, well-wishers and funding partners, all of whom shared in the financing 'burden' in relation to the particular schools. The researcher went on to finding in which ways the schools in question engaged their stakeholders to contribute to financing of school programs. The following illustration (Table 4.27) summarises the responses from the school administrators.

The contribution of households - the largest private financier of education in Uganda (UNESCO, 2016) covers around one-fourth of all education expenditure in developing countries. Secondary schools ought to diversify their financing sources to foster their educational effectiveness. This is an area not yet given enough attention and hence, church-founded schools being pioneers of education in Uganda, should also pioneer this kind of drive. The analysis below presents responses on the situation in financing church-founded schools, on which the study will base to propose remedies for a robust financial mix therein.

**Table 4.23: Results on the ways in which schools engaged their stakeholders into financing the school programs**

| Assessment | Frequency | Percentage % |
|---|---|---|
| Write funding proposals and present them to NGOs, alumni, friends and well-wishers. | 25 | 22.3 |
| Call for bursaries of needy but bright students from the Foundation Body. | 21 | 18.8 |
| Through Board of Directors resolutions. | 20 | 17.9 |
| Call upon stakeholders to visit the schools to appreciate the need for financing. | 16 | 14.3 |
| Call PTA meetings for financing solutions | 11 | 9.8 |
| Engage stakeholders in fundraising drives | 10 | 8.9 |
| Students work in the school garden | 9 | 8.0 |
| **Total** | **112** | **100** |

*Source: Administrators' Questionnaire*

Results in Table 4.23 show that 25 (22.3%) who reported that schools were writing funding proposals and present them to NGOs, alumni, friends and well-wishers, while 21 (18.8%) called upon the Foundation Body for bursaries of needy but bright students, as methods of engagement to those stakeholders.

Other respondents 20 (17.9%) recommended that their schools would seek Board of Directors resolutions through their periodic meetings, and 16 (14.3%) asked stakeholders to visit the schools so that they could appreciate the need for financing particular programs. Respondents who identified PTA meetings for financing solutions were 11 (9.8%), engaging stakeholders in fundraising drives; 10 (8.9%), while those that mentioned students' engagement in work that promoted the school effectiveness such as in the school garden, were 9 (8.0%). Therefore, the schools generally cared to involve the various stakeholders in the school improvement endeavours within their reach.

One interviewed respondent ‘c’ reported,

> *“The Head teacher is not aggressively pursuing various cost cutting options available as a way of minimizing the school’s operational costs. This, the principal would effect with the cooperation of all concerned stakeholders”*

Another interviewee ‘d’ argued,

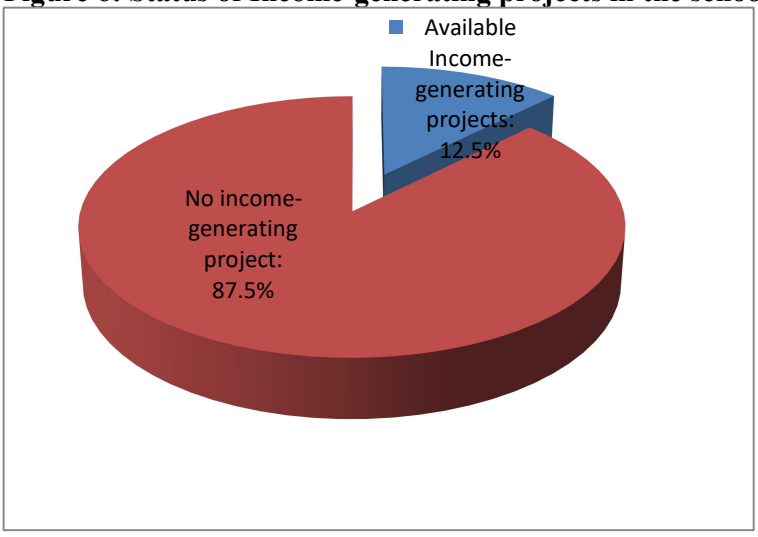
> *“Involving students in the school’s manual work is not only instrumental in providing necessary labour to address budget deficits, but when done objectively it can ensure robust development of the students’ appreciation of agriculture as a core economic activity, as well as using the proceeds to supplement the school budget”.*

In an interview, one respondent ‘e’ then said,

> *“School management were endeavouring to diversify their sources of income as having various sources of income will ensure that there is a constant revenue stream that can cushion the schools against the effects of budget deficits”.*

The researcher also went on to ascertain whether the church-founded schools in the study area had any income-generating projects set up to supplement the traditional financing sources. To this concern, the responses are hereby recorded in the Figure 6 below.

**Figure 6: Status of Income-generating projects in the schools**




*Source: Administrators’ Questionnaire*

Results in Figure 6 represent 98 (87.5%) respondents who revealed that their schools did not have any income-generating initiatives to supplement the traditional income sources, while

only 14 (12.5%) said that their schools had some forms of income-generating projects, which supplemented the other financing sources.

For the respondents who said 'yes', they went further to testify in regard to the various types of income generating activities their schools possessed, as illustrated in table 4.24:

**Table 4.24: Results on the types of income-generating projects owned by some church-founded secondary schools**

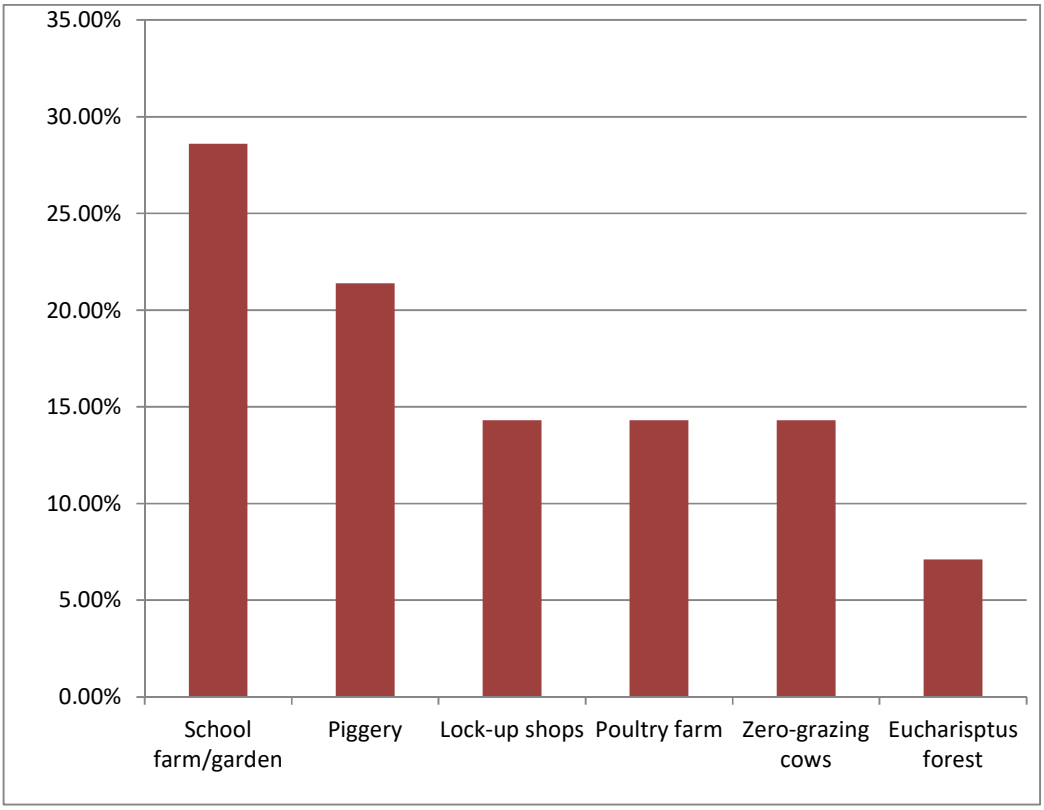
| Assessment | Frequency | Percentage % |
|---|---|---|
| Agricultural project (School farm/garden) | 4 | 28.6 |
| Piggery unit | 3 | 21.4 |
| Lock-up shops | 2 | 14.3 |
| Poultry farm | 2 | 14.3 |
| Zero grazing cows | 2 | 14.3 |
| Eucalyptus forest | 1 | 7.1 |
| **Total** | **14** | **100** |

*Source; Administrators questionnaire*

In regard to the income-generating projects owned by the schools, 4 (28.6%) said they owned school farms, 3 (21.4%) mentioned possession of a piggery unit while those that reported schools owning lock-up shops, Poultry farm and zero-grazing cows were 2 (14.3%) for each type of school project. Only 1 (7.1%) respondent reported their school owning a Eucalyptus Forest as their project. The above analysis almost confirms that the notion of school income generating project among church-founded schools is, at the moment, a rather farfetched reality.

The income-generating projects owned by church-founded secondary are hereby illustrated in figure 7 below:

**Figure 7: Income-generating projects owned by church-founded secondary schools.**




*Source; Administrators' questionnaire.*

In another subsequent concern, the study went on to ascertain prospective financing plans available for the church-founded secondary schools, as could be verified by the school administrators, since these are mostly the custodians of strategic planning for their institutions, and yet they are fully on the ground for implementation of the plans.

A respondent 'f', through an interview suggested,

> *"The school Head teachers of this church-founded school need to be more innovative in diversifying their income streams and also in financial planning and implementation of their budgets so as to manage their schools' deficits".*

Table 4.25 gives, in general, administrators' insights in line with the future financing of their schools. Some of which refer to endeavours simply to streamline financial aspects within the schools.

**Table 4.25: Results on the future financing prospects for Church-founded secondary schools**

| Assessment | Frequency | Percentage % |
|---|---|---|
| Search for donors through networking and writing funding proposals for projects | 21 | 18.8 |
| Invest in income generating activities | 17 | 15.2 |
| Use available land to produce food | 16 | 14.3 |
| Lobby the government for more funding for key projects | 12 | 10.7 |
| Aggressive school marketing to increase the number of students to generate more fees | 12 | 10.7 |
| Expand school facilities to accommodate increased number of students | 9 | 8.0 |
| Increase fees with time within the ability of most parents | 9 | 8.0 |
| Improve on accountability of finances in relation to the Board of Governors' requirements | 7 | 6.3 |
| Get external auditors e.g. from the Foundation Body | 5 | 4.5 |
| Start another school (branch) | 4 | 3.5 |
| **Total** | **112** | **100** |

*Source; Administrators questionnaire*

Results in Table 4.25 show that 21 (18.8%) respondents proposed that if schools searched for donors through networking and writing funding projects, future financing would be guaranteed, while 17 (15.2%) thought that the schools would invest in income generating activities. Other respondents, 16 (14.3%) in number said that their schools would use the available land to produce food to supplement the budget, and indeed the number of those who thought they would lobby the government for more funding for key projects were the same as those who would opt for aggressive school marketing to increase the number of students that would in return generate more fees 12 (10.7%).

The respondents who would expand school facilities to accommodate increased number of students were equal to those that would increase fees with time within the ability of most parents; 9 (8.0%). The respondents who said they would improve on accountability of

finances in relation to the Board of Governors' requirements were 7 (6.3%), whereas the ones who would involve external auditors such as from the Foundation Body, to provide professional services as well streamlining financial operations were 5 (4.5%). Finally, the respondents who mentioned that they would in future start another school (branch) for better financing were 4 (3.5%). Hence, the respondents were prospectively positive about improvement of the financing aspect.

On the same objective, another participant revealed that when funds are mobilized either internally or externally, the school is able to buy textbooks, teachers' instructional materials, build classrooms, among others which significantly would influence effectiveness and efficiency of the schools. The implication of these findings suggests that with funds acquired from different sources, school effectiveness can profoundly be enhanced.

In line with this, one respondent 'g' said;

> "*When finances are mobilized, reports have it that money is fairly allocated amongst development projects and academic needs of learners. When acquired resources are not enough, key things like students' welfare, staff upkeep, salary and maintenance are prioritized first".*

These findings thus suggest that allocations for mobilized finances are determined by the volume of collections from the different revenue sources.

A respondent 'h', from the education secretariat said,

> "*All stakeholders including the Foundation Body NGOs, donors, parents and members of the public should encourage the school heads to seek ways of cutting costs so as to ensure that all the funds obtained from the diverse sources can be used within their confines. This will aid in the minimization of school operational costs."*

**Table 4.26: Correlations between alternative financing and effectiveness of church founded secondary schools**

| Correlation type | Value | Approx. significance |
|---|---|---|
| Pearson's R | 0.478 | 0.045 |
| Spearman's correlation | 0.481 | 0.045 |
| **Total** | **112** | |

Results in Table 4.26 show that the measures undertaken to generate income from alternative sources, have influenced the quality of education and school effectiveness at large. The above correlations indicate it whereby Pearson's R stands at 0.5. This implies that the measures undertaken have directly determined the level of quality of education at the schools. This concurs with Kajubi (1993) that government should substantially finance both government-aided schools as well as reasonably support private schools. In this case, government funding as well as diversification of financing sources are purposely key in stimulating improvement and effectiveness of church-founded secondary schools.

An interviewed respondent 'i' argued,

> *"There is need for supplementary funding. Such funding necessitates additional funds to be raised from non-government sources as recommended by the ministry of education. This would be done mostly by income generating activities in the schools".*

Another interviewed respondent, 'j' said,

> *"Head teachers are not especially keen on cutting expenses but instead chose to raise the parents' contributions as a way of managing the budget deficits, which sometimes ends in negatively affecting the enrolments"*

There are study participants who indicated that adequacy of funds mobilized influenced operations of church-founded secondary schools effectively. One participant, 'k' indicated;

> *"As we collect huge sums of money from various sources, students, government, donors and others, this school is able to meet the programmed and teaching-learning objectives. For instance, last year students paid tuition promptly and the school was able to pay teachers promptly leading to achievement of our set-goals".*

This suggests that with adequate funds collected, teachers were paid promptly, which makes them more dedicated to their duty, besides the smooth running of other departments.

**Verification of Research Hypothesis Three:** The hypothesis stated that: there is a positive significant relationship between alternative financing mechanisms and school effectiveness in church-founded secondary schools in Uganda. The hypothesis was tested using Regression Analysis and Analysis of Variance and the results are given.

**Table 4.27: Regression Analysis for the relationship between financial resource allocation modalities and school effectiveness of church-founded secondary schools in Uganda**

**Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of the estimate |
|---|---|---|---|---|
| 1 | .648[a] | .419 | .378 | .48939 |

a. Predictors: (Constant), alternative financing mechanisms

Table 4.27 provides the R and R2 value. The R value is 0.648, which represents the simple correlation and, therefore, indicates a moderate degree of correlation. The R2 value indicates how much of the dependent variable, school effectiveness can be explained by the independent variable alternative financing mechanisms. The standard error of the estimate is .48939 and the adjusted R square value is 0.378. Therefore, the adjusted square value of .378 implied that alternative financing mechanisms predict school effectiveness; in other words, school effectiveness is dependent on alternative financing mechanisms by 37.8%

**Table 4.28: Analysis of Variance Showing the Results on the Relationship between financial resource allocation modalities and school effectiveness of church-founded secondary schools in Uganda**

**ANOVA [b]**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 1.784 | 1 | 1.784 | 7.450 | .007[a] |
| | Residual | 27.303 | 114 | .240 | | |
| | Total | 29.087 | 115 | | | |

b. Predictors: (Constant), alternative financing mechanisms

c. Dependent Variable: school effectiveness

These are the degrees of freedom associated with the sources of variance. The total variance has N-1 degrees of freedom. The Regression degrees of freedom correspond to the number of coefficients estimated minus 1. Including the intercept, there are 5 coefficients, so the model has 5-1=4 degrees of freedom. The Error degree of freedom is the DF total minus the DF model, 115 - 3 =114. Mean Square are the Mean Squares, the Sum of Squares divided by their respective DF. The F-statistic is the Mean Square (Regression) divided by the Mean Square (Residual) 1.784/.240= 7.450. The p-value is compared to some alpha level in testing the null hypothesis that all of the model coefficients are 0. The full model is not statistically significant (F = 7.450, df = 115, 1, sig.= .007), even though the resource curse was statistically significant (p>.05) by itself. The value for this table had a total degree of freedom of 115 because four observations had missing data and were not included in the analysis. The other degree of freedom corresponds to the intercept (constant) of the regression line. F-Statistics is 7.450, given the strength of the correlation, our model is statistically significant (p > .0005).

# CHAPTER FIVE

# DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

## 5.0 Introduction

In this chapter, the discussion of the study findings, conclusions drawn, recommendations as well as areas for more research is offered.

## 5.1 Discussion

In this section, the discussion of the findings obtained in the study is done. This discussion follows the three study objectives. The discussion is done following objective by objective.

### 5.1.1 Objective One: Sources of financing church-founded secondary schools and its implications for school effectiveness in Uganda

The findings of the study revealed that the sources of financing for church-founded secondary schools in Kampala, Mukono and Namirembe dioceses of Uganda studied included government subventions, students' tuition, and grants, among others. However, these findings indicated that the sources in question were not adequate to meet school budget requirements. Thus, the church-founded schools were not adequately financed. The respondents indicated that many schools were prompted to hike tuition and other fees, which most of the parents would not meet; leading to a high student school dropout rate.

These findings were contrasted with World Bank (2014), which established that the level of funding a country's education should be provided by; public finance (about 80%), private sources of finance (close to 20%) and international sources of finance - including loans, (representing about 2%) of total educational expenditure by developing countries). This analysis holds that in spite of the crucial importance of private sources in several countries, public expenditure is still the main source of educational funds in most countries, whereby public

financing represents over 50%, and private sources still make a very significant contribution to education. It is a source that, in many countries, may be underutilized. In Uganda, however, there is a general a general dependence on government grants, which are mostly inadequate. Similar overdependence on tuition fees payment is another challenge, especially for private church-founded secondary schools.

The study findings were in addition supported by Getange, et al. (2014) studied alternative sources of funding for free day secondary education in public schools in Kisii central district, Kisii County, Kenya, where a combination of desktop review and field data revealed that the government of Kenya was the major funder of the schools where the study was carried out.

The study findings also revealed that community tuition fees were the second major source of school funding. This was in agreement with Ifeoma et al., 2016) who studied the extent of community participation in funding of secondary school in Abakaliki education zone of Ebonyi state and revealed that local communities' level of participation in school funding was very high. This suggested that schools highly relied on tuition and community provisions.

The study findings revealed that government and students tuition are the major sources of school funding. This finding concurred with Onsomu, et al. (2006) who established that current government policy on financing of government-aided secondary schools in Uganda follows the cost-sharing principle. This is where the government covers some costs and the parents or the community shoulders the remaining costs, specifically the costs of key non-salary inputs like tuition, textbooks and uniforms.

The study findings were more or less similar with Millar, (2008) who noted other public or private, domestic or international informal entities, who include the students, parents and other community members who attend, support, and manage the schools at the local levels, as key stakeholders. In 2007, over 7.4 million children were enrolled in primary school, nearly

843,000 in public and private secondary schools, over 40,000 in public BTVET institutions, and more than 137,000 in tertiary level institutions. They have perhaps the most important stake in education because what these students learn in the schools will, to a large degree, determine their future employment options and their civic engagement and participation in building and maintaining democratic institutions and the economy at large. This thus meant that parents have a prime role in generating school financing and promoting the effectiveness of schools where they educated their children.

The findings of the study also revealed that the financial sources for secondary schools are largely not adequate to sustain school needs. This concurred with Haynes, (2008) who emphasized that today a financial crisis is facing secondary education in Africa. Given constrained government capacity to avail required education for development, denomination-based education is widely considered to be one of the key complimentary sources of providing schooling. Therefore, it meant that further funding of church-founded secondary schools is a responsibility of all core stakeholders.

The study findings were in agreement with (Koch, 2009) who established that in Uganda, denominations and private sector have played a central role in establishing and operating most of the earlier secondary schools, which relied on tuition fees and donations from benefactors in the West, to cover the full cost of their operations. The financing trend, however, has persistently been experiencing challenges. Today it is even becoming more compelling for parents to educate their children in church-founded secondary schools, where they can pay substantial tuition to guarantee provision of the necessary school needs.

The finding was supported by Winkler and Sondergaard (2008), who maintained that most schools are equally funded by government and private households. However, the unit costs of secondary education are high - both in absolute terms and relative to per capita GDP. The

combination of increasing enrollments and high unit costs yield future secondary level expenditures that are not sustainable, whereby school planners for church-founded institutions ought to proactively salvage the situation. In conclusion, the sources of financing church-founded schools entirely base on parents' tuition and government aid. However, these are not adequately substantial to meet school needs and for meeting the set goals.

### 5.1.2 Objective Two: Financial resource allocation modalities of church-founded secondary schools and its implications for school effectiveness in Uganda

The second objective of the study was to ascertain financial resource allocation modalities for church-founded secondary schools and its implications for school effectiveness in Uganda. The findings of the study revealed that most of the school budget finances are allocated on tuition, domestic utilities and staff welfare needs in relation to other programs; other unit centres like transport, co-curriculum, and construction among others take a limited portion of their school budget-allocations. These findings meant that since the teaching and learning activity (tuition) is the core of all academic institutions, reasonable financial support ought to centre on this endeavour. However, given the systems approach, other in-puts and processes within the institution ought to have been allocated equitable amounts of finances for better effectiveness. Teachers are at the centre of the school teaching and learning process, they are thus allocated a large portion of the school budget.

The study findings revealed that budget allocations in the church-founded secondary schools followed priority areas according to individual school planners, as supported by Dangara (2016) who studied educational resources as an integral component for effective school administration in Nigeria and established that allocating resources from different sources effectively allows addressing needs on sensitive units of the school, which improves on efficiency and effectiveness.

The findings also revealed that most of the school budget finances are allocated on tuition, domestic utilities and staff welfare needs while other unit centres like transport, curriculum, and construction among others take a limited portion of school budget allocations. Hence, since the teaching and learning activity (tuition) is the core of all academic institutions, maximum financial support ought to centre on this endeavour.

However, no school can operate without meeting domestic needs of both staff and students; hence the school domestic needs were found to be taking a really substantial allocation on the school budgets. These findings agreed with earlier works such as Makaaru, J., A. et al. (2015), who established that incentives take a big portion of school budgets and determine how this money is spent. In many school systems, resources are not allocated to maximize educational output per se, but ensuring that the learners are satisfactorily cared for, feel secure and happy in the school environment.

The study findings were supported by Mgeni (2013) who established the performance of secondary school budgets in implementation of school projects in Sengerema district, Mwanza and showed that 80% of Heads plan their school budgets according to the needs of school and directives with guidelines with the central authority like the Ministry of Education and Vocational Training. This study showed that most of the school funds are directed on capacity building through workshops, seminars, project planning and management. The study findings also agreed with Ada (2011) who studied budgeting practices of principles of secondary schools in South East geo political zone who revealed that principals followed budget guidelines and specifications in planning and implementing budget. Likewise in the study findings, material and equipment were found not to be allocated more funds. Ada (2011) revealed that principals however do not allocate more money on science equipment, maintaining of vehicles, buildings

and furniture and do not organize workshops and conferences since these are not usually allocated adequate funds in school budgets.

The study findings differed from Mosala and Malefetsane (2010) who studied effective use of budgeting as a tool towards financial management in schools in Lejweleputswa District; who established that the knowledge of budgeting as an aspect of financial management is lacking or inadequate in some schools. The study findings established that salary and domestic needs took the biggest share in the school budget. This was opposed to Aboegbulem and Kulu (2013) who studied budgeting practices of principals of secondary schools in South East Geo-political zone of Nigeria and established that budget guideline specifications in planning and implementing budgets were highly important in enhancing budget allocation effectiveness. With this approach, buildings, furniture and other units were effectively budgeted for, which scenario is different from the situation in the church-founded schools in the central districts.

The study findings revealed that budget allocations follow priority areas according to individual school planners. This was supported by Dangara (2016) who studied educational resources as an integral component for effective school administration in Nigeria and established that allocating resources from different sources effectively allows addressing needs on sensitive units of the school, which improves on efficiency and effectiveness. Further, this was associated with eliminating wastages, thereby allowing service excellence in particular schools.

The study findings were in congruence with Apio (2014), who studied the influence of budgeting implementation plans in public secondary schools in Uriri District, Migori county, Kenya and with use of descriptive data analysis revealed that 90% of the respondents had indicated that budgeting skills, monitoring ability, evaluation skills, procurement knowledge, project identification, learning materials, and prioritization were highly emphasized. Consequently, the budgeting process was a total success.

Schools authorities usually enjoy most freedom over how to spend funding when they receive a block grant from government or tuition from parents (OECD, 2017). The study findings revealed that in the case of private church-founded secondary schools, the governing Board which represents the Foundation Body may impose some conditions on the particular area of spending that the funding should be used for. So, the final allocation is at the full discretion of the Board, across all areas of spending. Increasing the school budget per se as the educational policy, may not necessarily enhance the quality of the school and its educational outputs. This explains why some seemingly financially well-facilitated schools may unremittingly register absurd outputs/outcomes, including poor academic results/scores.

While public provision of schooling is sometimes characterized by inefficiencies, the systems still differ widely across countries and regions in their institutional structure regarding their educational decision-making processes (Wößmann, 2000). In the current study, some of the government-aided church-founded secondary schools were incidentally performing less than their privately owned counterparts. The reason is that different school systems tend to give different amounts of decision-making powers to the different agents involved in educational production, which creates different incentives for their behavior. Such differences in institutions and incentives will affect the agents' decisions on the resource allocation. The practice eventually impacts on the educational performance of the students and the overall effectiveness of institutions.

The level of school effectiveness and schooling productivity - the ratio of educational performance to resources used, thus seems to vary widely across different schooling systems in the study area. The models of financial mix in academic institutions elaborate guidelines concerning sources of finance, distribution of power and resources, allocation of funds, dominant interests and participation in the financial decision-making (Williams, 1987, 1992).

As expounded by Kraujutaityt (2002), financing mix includes collegial, bureaucratic and market models. It has been popular in the discourse on higher education finance policy in Western countries. The collegial model allows an academic institution to allocate its funds independently from the interference of the state. Given the fact that secondary education is increasingly becoming an economically expensive arrangement in the region for this study, an endeavour to highlight the applicability of the model was done for suitable financial resource allocations. This was found to be the case for the church-founded private schools; budgets and budget allocations were found to be determined by the individual school administration, where the Head teacher is the key budget implementer, doing it on behalf of the Board of directors of the school.

The bureaucratic model, on the other hand, gives autonomy to the state to implement financial decisions, based on public needs and their concomitant long-term national priorities. This model is what all the government-aided schools in the region were found to be following; all directives let alone budget guidelines are given by the Ministry of Education and Sports (the state), and the school authorities have little if any to dictate on the allotments or mode of implementation.

The market model, on the other hand, emphasizes interest-integration of the state, administrative and academic staff, families, students and other stakeholders to take responsibility, within the law, for resource accumulation and allocation in an academic institution. This model applied, to a smaller extent, to the government partner schools; those that, for example were implementing the government programs such as USE and UPOLET.

Financial decision making was mostly shared; by the state and the individual school administration depending on the prevailing market conditions of the time. For example, in some schools where the government sponsored students, school administration, staff and parents would agree to set an extra fee to be paid by the parents on top of the government grant, to

match the market conditions at hand; influenced by the cost of living; food prices, utility bills, among others.

In regard to cost-effectiveness analysis (Rice, 2002), the relationship between financing mix and effectiveness is best illustrated, whereby the question, "Should we support this financing method or that program?" is aptly addressed. Here, the studies look at alternative methods of accomplishing specific education outcomes using a mix of different financing methods and, therefore, attempt to identify the program options that are most successful at the least possible cost are made. Hence, in any school environment, attention is put onto allocating resources where they will be most beneficial to foster education effectiveness.

Despite the tremendous progress Uganda has made in education provision in the past decade, particularly with the introduction of universal primary education, it is still confronted by a number of financing challenges relating especially to the demand for increased access at the secondary and tertiary levels. Two significant aspects to the funding question include; the insufficiency and the misallocation of resources (Pillay, 2006).

Church-founded secondary schools in Uganda have been confronted with two major issues; funding adequacy and relevance. Relevance of financial resource allocation is one criterion for judging school financial systems (Colclough et al., 2003). It is defined in terms of the reasonable portion of resources allocated to education and the share of the institution's budget spent on education. Since the 1970's, the relevance measures have become more concerned with output targets rather than expenditure targets (McGillivray, 2008).

For the case of Uganda, there is a weak accountability by schools to parents and other stakeholders, prompted by the long political and often physical distance between parents and policy-makers to schools. Despite the many factors that contribute to good governance, efficiency, accountability and hence effectiveness are still wanting (Winkler and Crouch, 2008).

Asma Zubairi & Pauline Rose (2019) posit that in reality, the spending patterns on inputs such as; teacher wages, class sizes, buildings, textbook use, is done purposefully. The theory of the input choice predicts the observed input productivity and guides the interpretation of results, paying attention to the decision-making process. The underlying process usually determines budgets, prioritizing valuable outputs/outcomes, though in the case of many contemporary schools' systems in Uganda, financial resource allocation policies are 'politically' determined – with an underlying bias especially for selfish ends.

As Primary school completion rates have risen because of the Universal Primary Education (UPE) in Uganda, the demand for secondary education and places has grown, accounting for the imperative demand for equitable and relevant financing. Since the role of secondary education in economic and social development in the context of globalization and competitiveness is vital, the matter above needs supplemental and sustainable funding. The transition rate from P7 to S1 increased by 12.3% from 50.9 % to 63.2% in the period 2007 to 2015. With increased enrolments, significant additional resources are required. In view of the remaining quality problems in primary and secondary education and the importance of moving towards the fourth UN Sustainable Development Goal (SDG), the ESSP takes cognizance of this and aims to deliver the goals.

The study's finding revealed that education funding allocation from the national cake is still inadequate and that parents are not comfortable with paying tuition. This finding was supported by UNESCO (2016) who had it that at least more than 5% of GNP needs to be allocated to education, with 2.5% at secondary level. However, changes in school management that provide incentives to efficiently manage financial, human and physical resources prioritised.

The study findings suggested that most of the school funds are spent on domestic school requirements. In agreement with this Winkler and Sondergaard (2008) observed that Uganda is

among the countries in Africa with the highest percentage of secondary school enrolments in private schools; As such, household expenditures on secondary education are triple those of government. Hence, domestic requirements take up most of the of the school budgets in the church funded schools in the central region

The role of the private sector in the finance and provision of secondary education in Uganda cannot be underrated. It comprises the sizeable fees paid by households to public and private secondary schools. It is, therefore, critical to protect and sustain household financing levels, most of which is provided by high income households (Winkler and Sondergaard, 2008), to permit the expansion of more heavily subsidized educational opportunities to lower income households. In so doing, it will be more sustainable to support education at this level, from various fronts. Research showing how this can be done is just timely.

The study's findings agreed with Verspoor (2008) who indicated that personnel cost is the largest expenditure item in secondary education budgets. The findings also revealed that teacher salaries take a big percentage of the school budgets. This was in agreement with Verspoor (2008) who maintained that salaries are an un-affordably high multiple of GNP per capita, where an affordable salary structure is recommended. This may require moderation in salary increases and a review of recruitment policies and qualification requirements. Although high salaries are not the prime handicap for adequate financing and efficiency, administration of the funds should be looked into, leading to better financial decision-making.

The MoES (2009) survey declares the Foundation Bodies of secondary schools in Uganda as: Church of Uganda (COU), Roman Catholic Church (RC), Islamic, Parents & Private entrepreneurs (most of whom have some religious denominational affiliation) altogether formed 84.7% total number of secondary schools. Out of these; 32.2% were founded by Private Entrepreneurs, 15.8% - by Church of Uganda (COU), 14% - by Parents, and 16.8% were

founded by the Roman Catholic Church. The major financing avenue for them was through the fees collected from parents. With no regulation of these dues and guidelines many institutions may end up exaggerating the fees.

Kasibante (2001) notes that the Church has already demonstrated itself capable of providing a definite, established and managerial system for her schools, since it has been in business of education for over 2000 years worldwide and for over 100 years in Uganda. Within the years of the Catholic Church in Uganda, her contribution to the development through education is significant (Wamala, 2000). The author, however, assumes that the traditional status quo especially regarding financing is not essentially challenged specially in this era marred with inflation and financial strife.

Winkler and Sondergaard, (2008) advance that accountability by schools to either parents or the Ministry of Education and Sports is weak, School inspection is infrequent enough to be ineffective, thereby seriously weakening accountability to the MoES. In addition, the local BOGs and PTAs have unclear and sometimes competing roles and usually lack the capacity and information to effectively manage school budgets. Thus, to ensure desired effect and sustainability of the funding, the authors advise institutions to have their performance evaluated and their financial records audited. This, and related mechanisms need to be stressed.

Government aided schools in Uganda receive funding for non-salary education expenses on a per-pupil basis through capitation grants, which are transferred by the central government to local governments for administration and distribution to schools. Previously, these central government grants to schools were experiencing very high leakage rates (87%) in the early 1990s, as documented by Reinikka & Svensson (2004). A World Bank Public Expenditure Tracking Study (PETS), which tracked this leakage was carried out, where the government undertook a newspaper campaign to inform citizens what their schools should be receiving. This

resulted in a reduction of the leakage rate to less than 20%. As reported by Winkler and Sondergaard (2007), subsequent PETS have found continued reductions in the leakage rate over time.

According to Samuel (2003), the principle explains the escalating cost of private cost of education as many governments are drifting away from bearing the cost of education. Some research findings show that the reason for this is because the individual benefits more from education. Samuel (2003), for instance, in a study for World Bank on public expenditures in Lagos State schools found out that household unit cost of primary education was N33,000, while the public unit cost was under N3,000.

Akinyemi (2005), estimating the unit cost of primary education in Lagos State found out that both the private and social cost of education were escalating every year with household spending (private cost) estimated to be more than 70 percent of the total cost and government spending less than 30 percent per child. Thus, the financial resource allocations of over 70% are directed towards meeting teachers' salaries and domestic needs of the school.

### 5.1.3 Objective Three: Alternative financing mechanisms for church founded secondary schools and its implications for school effectiveness in Uganda

The third objective of the study was to establish the relationship between alternative financing mechanisms and effectiveness of church funded secondary schools in the central metropolitan dioceses of Kampala, Mukono and Namirembe. The findings of the study revealed an insignificant relationship between alternative financing sources and effectiveness of church funded secondary schools in the region.

The study's findings revealed that school-based projects were key in generating alternative financing of school budgets, to meet educational needs and foster effectiveness. The conclusion

is supported by Mgeni (2013) who established that the performance of secondary school budgets was enhanced greatly by implementation of school projects in Sengerema district, Mwanza, where 80% of Heads planned their school budgets according to the school needs.

The above finding meant that despite the sources of funding are parents, government, grants, donors or any others, the effectiveness of the secondary schools funded by the church will remain constant; it will instead be the volume of alternative funding and the choice of school program funded that matters. In line with this finding, Bilgin (2017) who studied management of school funds by secondary school principals and its implications for effective job productivity established that alternative financing sources, allocations and utilization especially following different departments preparations enabled effective utilization of funds acquired leading to total effectiveness in the system.

The study findings showed that schools had financial knowledge especially when it comes to allocation of funds which enhanced effectiveness of particular schools. This was opposed to Omollo et al. (2016) who studied the effects of financial budgeting in management of public secondary schools in Uriri sub-county, Migor county, Kenya and revealed that over 85% of the respondents showed heads of schools had limited financial knowledge in terms of locating possible funders accounting for low funds received from the government. The study findings showed inadequate fund provided to schools. This was in agreement with Afolayan (2014) studied a holistic review of public funding of primary education in Nigeria and established that inadequate school funding affected the efficiency. As a result, teachers were inadequate and infrastructures were not enough contributing to schools' ineffectiveness.

## 5.2 Conclusions

From the above discussion and study findings, it is concluded in this study that;

i) Students' tuition and government subvention funds are the traditional as well as major sources of financing in Kampala, Mukono and Namirembe dioceses. Few schools were isolated entirely depending on grants, donations, among other sources of finances. The funding sources have considerable impact on effectiveness of the church-founded secondary schools in the central region of Uganda. Privately owned church-founded schools are more vulnerable to inadequate financing since for them, there are no government grants to subsidise expenditure on the limitless educational requirements unlike their government-aided counterparts. So, these ought to be more strategic in their prioritisation and financial decision-making, aided by the governing bodies

ii) Most of the income of the church-founded schools is allocated to: staff salaries, welfare and remuneration. More is also expended on: domestic needs such as feeding the learners; purchase of scholastic materials such as chalk, as well as financing of the school recurrent/running costs, including government taxes and church tithe. These allocations, however, are not equitable enough to stimulate schools effectiveness. The funding models in most of the church founded schools has been found wanting in terms of enabling them to effectively carry out their mandates of providing quality academic services and as evangelisation grounds for the respective denominational bodies.

iii) The alternative financing mechanisms existent in most of the church-founded schools are so limited that the schools can hardly galvanise resources for optimum improvement or effectiveness of the schools. there are many potential alternative sources of income that are not yet tapped into such as; land – through growing and

selling of agricultural produce since many of these schools are seated on large pieces of church-provided land, investing in other income-generating projects such as lock-up shops, rental houses, and treasury-bills. Alternative financing mechanisms in church-founded secondary schools give impetus to institutional resourcefulness and lead to meeting of educational needs, and implementation of key programs let alone attainment of the set goals, to render the schools effective, as is evident in schools that have some income projects.

## 5.3 Contribution of the study

a. The funding sources have considerable impact on effectiveness of the church-founded secondary schools especially privately owned church-founded schools due to their vulnerability to inadequate financing since they have no government grants to subsidize expenditure on their educational requirements like their government-aided counterparts. They thus to be more strategic in their prioritization and financial decision-making.
b. Although most of the income of the church-founded schools is allocated to feeding the learners; purchase of scholastic materials and church tithe, the allocations are not equitable to stimulate school effectiveness as their funding models are inadequate in terms of enabling them to effectively carry out their mandates of providing quality academic services and as evangelisation grounds for the respective denominational bodies.
c. The alternative financing mechanisms existent in most of the church-founded schools are so limited that the schools can hardly galvanize resources for optimum improvement or effectiveness of the schools. There are many potential alternative sources of income that are not yet tapped into such as land – through growing and selling of agricultural produce since many of these schools are seated on large pieces of church-provided land,

investing in other income-generating projects such as lock-up shops, rental houses, and treasury-bills.

### 5.4 Recommendations

From the study discussion and conclusions, the following recommendations were arrived. It was concluded that the MoES, the church educational department should do the following;

i) There is need for school leadership to become more innovative. especially given the occurrence of educational shocks such as Covid-19 lock downs when almost all possible conventional sources of income waned. They need to widen their financing and resource base by creating internal revenue generating units, fundraising, and donations, among others. These would also entail lobbing external funders and benefactors to supplement their quarterly budgets. The schools ought to contrive more ways of diversification of financing sources to better the quality and improve the church-founded secondary schools as a whole.

ii) Basing on modals of funding mix, Foundation Bodies ought to streamline financial decision-making procedures, prioritise equitable resource allocations along with accountable leadership. Church-founded secondary schools also ought to strengthen a safe and secure environment besides improving 'input, process and output' model of program implementation, for a holistic improvement of the institutions in question. Whereas there is evidence of past stable sources of income enjoyed by church founded schools, there is an imperative for their respective leadership to become more creative for their sustainability, but more importantly, need to be innovative in regard to contemporary marketing practices such as advertisement and networking with multi-faceted and strategic stakeholders

iii) There is also need for church-founded school governance and administration to come up with a model which accommodates strategies such as savings, and purchase of treasury bills which could be sold and the proceeds used in times of adversity. This is meant to break overdependence on the traditional financing; government grant-aid and tuition. In addition, creativity and innovativeness via diversification of alternative financing sources is key, if institutional resourcefulness is to be attained.

### 5.5 Areas for further studies

The study was carried on sources of financing on effectiveness of church funded secondary schools in Uganda. However, there are other factors which may impact on the effectiveness of church funded secondary schools that require attention of future researchers like policies of government, foundation body ideology (philosophy), the general inflation trends in the country. These may need attention of future researchers to undertake studies to ascertain how these influence on secondary school effectiveness.

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# APPENDICES

## APPENDIX A

### SECONDARY SCHOOL ADMINISTRATORS' QUESTIONNAIRE

### Topic: EDUCATION FINANCING AND EFFECTIVENESS OF CHURCH-FOUNDED SECONDARY SCHOOLS IN UGANDA

My name is *Mathias Kiryowa*, a Makerere University doctoral student completing a research study, to examine the relationship between school financing and the effectiveness of church-founded secondary schools in Uganda.

The intention of this questionnaire is to seek your contribution on the funding situation and financing of the various school programs within your institution, to foster educational effectiveness of, particularly, church-founded secondary schools in Uganda, and the entire secondary education sub-sector in general. By completing this questionnaire you will be making an important contribution to the investigation about alternative funding options which can solve the plight of funding inadequacies that hamper educational effectiveness of many schools.

Your responses will be treated with utmost confidentiality; so, you may NOT write your name anywhere on the questionnaire! Kindly return your completed questionnaire to me in a fortnight, to enable timely processing and subsequent compilation and synthesis of the information for desirable recommendations.

Thank you for your cooperation!

1. School of the respondent:

   _____

2. Position on the administration

   _____

3. Period you have been in that position

   _____

**SECTION A: Sources of funding for church-founded secondary schools in Uganda.**

Please indicate your response to each item by circling the appropriate number or ticking in the right box.

**1.** The school I am attached to is:

☐ Government-aided ☐ USE-partner school (with government) ☐ Private

**2.** (a) Year of founding _____(b) Year of govt. intervention (*where applicable*) _____

**3.** Where do you get money to finance the school budget/programs?

(i) _____

(ii) _____

(iii)_____

*(iv)* _____

**4.** How often do you get funding from the major 3 sources named in (2) above?

| **Source 1:** | **Source 2:** | **Source 2** |
|---|---|---|
| ☐ Monthly | ☐ Monthly | ☐ Monthly |
| ☐ Quarterly | ☐ Quarterly | ☐ Quarterly |
| ☐ Bi-annually | ☐ Bi-annually | ☐ Bi-annually |
| ☐ Annually | ☐ Annually | ☐ Annually |
| ☐ Other (specify) _____ | ☐ Other (specify) _____ | ☐ Other (specify) _____ |

**5.** Using the scale 1 – 5 (5 = strongly agree, 4 = agree, 3= Neutral/ I don't know, 2 = Oppose, 1= Strongly oppose) what is your opinion about the following concerning your school funding

| The situation of funding within the school | Rating | | | | |
|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 |
| 1. The government always remits sizeable funding to the school | | | | | |
| 2. The school has benefactors who provide funding for the school | | | | | |
| 3. The school is adequately financed by the Foundation Body | | | | | |
| 4. Parents provide significant funding through tuition fees payment | | | | | |
| 5. The parents are comfortable with the amount of school fees payable | | | | | |
| 6. The parents always make timely payments of school dues. | | | | | |
| 7. There are no students with school fees arrears | | | | | |
| 8. The School has projects which generate sizeable funding | | | | | |
| 9. The community substantially finance the school | | | | | |

**6.** What is the estimated Term's total budget for your school?

☐ Below 100 Million Uganda Shillings

☐ 100 – 200 Million Uganda Shillings

☐ 200 – 400 Million Uganda Shillings

☐ 400 – 600 Million Uganda Shillings

☐ Above 600 Million Uganda Shillings

**7.** How do you rate the percentage contribution of your school financing from;

(i) External sources? _____ (ii) Local sources? _____

(iii) Foundation Body? _____ (iv) Community?

_____

**SEECTION B: Financial resource allocation modalities for church-founded secondary schools.**

**8.** Do you have any external donors? Yes ☐ No ☐

**9.** If yes, what key aspects in your school are financed externally?

_____ _____

_____ _____

_____ _____

**10.** On which educational programs/items does the school expend its funds generally? *Please tick the estimate percentage contribution of the financing level (**1** = 0 – 20%, **2** = 20 -40%, **3** = 40 – 60%, **4** = 60 – 80% and **5** = 80 – 100%)*

| **Budget aspect** | Percentage contribution (%) | | | | |
|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 |
| Salaries | | | | | |
| Domestic expenses | | | | | |
| Administrative expenses | | | | | |
| Health and sanitation | | | | | |
| Delegated services | | | | | |
| Tuition | | | | | |
| Transport and utilities | | | | | |
| Co-curricular activities | | | | | |
| Finance costs | | | | | |
| Land conservation | | | | | |
| Building and construction | | | | | |
| **Others (***please specify***)** | | | | | |
| * | | | | | |
| * | | | | | |

**11.** In which various ways does the Church as the Foundation Body finance the school budget?

_____

_____

**12.** What are the other (non-financial) contributions from the Foundation Body of the school?

_____

_____

**13.** Apart from the purely academic programs, how else do you use the surplus income from the various sources?

_____

_____

**SECTION C: Funding coping mechanisms of church-founded secondary schools**

**14.** In case of insufficiency or a deficit budget, how does your school manage the situation?

_____

_____

**15.** In which ways do you engage the various stakeholders to contribute to financing of school programs?

_____

_____

**16.** Does the school have any income generating projects to supplement the r fees or other sources? ☐ Yes ☐ No

If 'yes', please state the type of project(s):

_____

_____

**17.** What can you regard as the future financing prospects for your school?

_____

_____

**SEECTION D: Effectiveness of Church-founded secondary schools.**

**18.** Rate the items with a scale of: 1 = Strongly disagree, 2 = Disagree, 3 = Not sure, 4 = Agree, 5 = Strongly agree.

| Item | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1) My school achieves performance targets for teachers | | | | | |
| 2) My school achieves good grades from learners | | | | | |
| 3) My school empowers students with required skills | | | | | |
| 4) The quality of services offered by my school is of high quality | | | | | |
| 5) The school diligently gives feedback to stakeholders | | | | | |
| 6) My school efficiently achieves its expectations on time | | | | | |
| 7) Products of my school are morally well-behaved | | | | | |

**Thank you for your cooperation!**

## APPENDIX B

**Documentary review**

- Academic performance records
- School budgets, Strategic plan
- Financial committee reports
- Minutes of BoG meetings
- Audited accounts
- Requisitions/accountability records)
- School profile & Administrative structure
- Staff Payroll
- Fees register
- Fees structure
- School program (term/annual)
- Staffing (No.s & distribution) & composition
- Financial policy documents (manual etc.)
- School prospectus
- School Inventory
- Visitors' book

## APPENDIX C

## INTERVIEW GUIDE FOR SCHOOL BOARD OF DIRECTORS

1. School of the respondent:
2. Occupation of the respondent?
3. Period you have been attached to the school in question?
4. Which are the various financing stakeholders of the?
5. What are the estimate funding percentages for the stated stakeholders?
6. What are the priority programs that are financed in your school?
7. In case of a budget deficit for your school, how do you overcome it?
8. How is the school determined to mitigate over-dependence on public or household funding?
9. Who regulates the usage and allocation of funds to run the school programs?
10. What innovations are being put in place for equitable allocation of financial resources?
11. What are the future priority programs for your school development?

## APPENDIX D

**INTERVIEW GUIDE FOR** PARENTS'

1. Name of the school?
2. Status of your child: Day/Boarding
3. Class of your child (please tick accordingly)?
4. For how long have you been a parent in the school?
5. Other than the tuition you pay, where else does your school get funding for its budget?
6. How do you compare the fees you pay to that charged in other schools you know of?
7. How do you like the following facilities in your school: Teaching, Dormitories, Classrooms, Meals, Library, Discipline, Sports, and Cleanliness?
8. In in addition to tuition, how adequate is the financing level of your school?
9. What are the priority programs that are financed in your school?
10. Do you ever experience challenges that you end up the term with fees arrears? How you handle this situation when it happens?
11. Are you as a parent involved in generating ideas about funding of the school programs?
12. How does your school ensure future financing stability?

## APPENDIX E

## INTERVIEW GUIDE FOR EDUCATION SECRETARY/LOCAL GOVT.

1. What is the general classification of schools in your area of operation?
2. What are the major sources of funding for the various secondary schools under your control?
3. Which percentage of the annual budget does the church contribute to the running of these schools?
4. How do you describe the secondary school financing trend in your area of jurisdiction?
5. What are the noticeable school financing challenges that you experience in your area?
6. How much is the tuition collection in from households?
7. Does the amount of school fees relate to the school drop-out rate in these schools?
8. For what is the government capitation grant used in your area?
9. How do the purely private schools in your area attract ensure continuity of financing for their programs?
10. Are there any fees subsidization policies (bursaries waver or cost sharing for students/parents? If so, on what do these endeavours depend?
11. Is there any school inspection policy in your area?
12. What are the funding policies to ensure proper utilization/allocation of funds?
13. Which financial systems do the various schools use to administer funds?
14. What are the recommended modes of school fees collection in your schools?
15. Does government have a fees regulatory mechanism for the church founded?
16. Are there grants given to any of your schools; and is there a policy governing acquisition of such grants?

## APPENDIX F

## SEECONDARY SCHOOL STUDENTS' GROUP INTERVIEW GUIDE

1. Name of the school?
2. Status (Day or Boarding)?
3. For how long have you studied in this school?
4. What are the recommended methods for tuition fees payment for your school?
5. Does your school subsidize the school fees; if yes, what are the conditions for the subsidization?
6. Apart from the tuition fees, which other dues do you pay
7. How do you rate the following in your school; Teaching/learning accommodation, Meals, co-curricular activities, Cleanliness?
8. How do you rate the academic performance of your school?
9. How often does your school buy new books/replenish your library? _____
10. What do you think your school can do to improve financing and the delivery of services?

## APPENDIX G

**Participating Schools:**

The following secondary schools in the metropolitan districts of Kampala, Mukono Mpigi and Wakiso; in the Central region of Uganda formed the population of the study. They are all Church-founded schools, belonging to either the Catholic or Protestant denominational Foundation Bodies, the pioneers of formal education in Uganda. Some are government-aided, while others are purely privately owned by the church as the Foundation Body in question.

**LIST OF SCHOOLS**

| S/N | SCHOOL | FUNDING STATUS |
|---|---|---|
| | **Kampala Archdiocese (Catholic – Foundation Body)** | |
| 1. | St. Augustine's College – Wakiso | Private |
| 2. | St. Pius Secondary School - Kiziba | Private |
| 3. | Holy Family Secondary School - Namayumba | Private + USE |
| 4. | St. Mbaaga's College - Naddangira | Private |
| 5. | St. Peter's Secondary School – Nsambya | Government-aided |
| 6. | St. Joseph's Girls' S.S - Nsambya | Private |
| 7. | Trinity College - Nabbingo | Government-aided |
| 8. | St. Aloysius Secondary School - Nabbingo | Private |
| 9. | Our Lady of Fatima – Nakulabye S.S | Private + USE |
| 10. | St. Joseph's S.S - Busega | Private |
| 11. | St. Mary's Secondary School - Nkozi | Government-aided |
| 12. | Cardinal Nsubuga S.S - Kitakyusa | Private + USE |
| 13. | St. Balikuddembe S.S – Mitala Maria | Private + USE |

| | | |
|---|---|---|
| 14. | Uganda Martyrs' S.S - Namugongo | Private |
| 15. | St. Maria Gorret – Katende | Private |
| | **Mukono Diocese (Protestant - Foundation Body)** | |
| 16. | Mukono Senior School | Government-aided |
| 17. | Mukono High School | Government-aided; USE & UPOLET |
| 18. | Namakwa Senior Secondary School | Government-aided; USE |
| 19. | Namataba Senior Secondary School | Government-aided; USE |
| 20. | Nakanyonyi Secondary School | Government-aided; USE & UPOLET |
| 21. | Kasawo Mubanda Secondary School | Private + USE |
| 22. | Namuganga Secondary School | Government-aided; USE |
| 23. | Kisowera Secondary School | Government-aided; USE |
| 24. | Kojja Secondary School | Government-aided; USE |
| 25. | Sir Apollo Kaggwa Secondary School | Government-aided; USE |
| 26. | Ndeeba Secondary School | Government-aided; USE |
| | **Namirembe Diocese (Protestant - Foundation Body)** | |
| 27. | Mengo Senior School | Government-aided |
| 28. | Makaayi College School – Nateete | Government-aided; USE |
| 29. | Luzira Secondary School | Government-aided; USE |
| 30. | Jjungo Secondary School – Nakawuka | Government-aided; USE |
| 31. | Entebbe Secondary School | Government-aided |
| 32. | Kitende Secondary School | Government-aided |
| 33. | Kirinnya Secondary School – Namboole | Government-aided |
| 34. | Kira Secondary School | Government-aided |
| 35. | Wampeewo Ntakke Secondary School | Government-aided |

| | | |
|---|---|---|
| 36. | Namulonge Secondary School - Busiika | Government-aided |
| 37. | Nakwero Secondary School | Private |
| 38. | Masuuliita Secondary School | Government-aided; USE |
| 39. | Kings College - Budo | Government-aided |
| 40. | Nsangi Secondary School | Government-aided; USE |

## APPENDIX H

### School enrolment for the period 2007 - 2016

Table 3: Enrolment by level of Education (2007-2016)

| Level | Sex | 2007 | 2009 | 2011 | 2013 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|
| Pre Primary | Male | 37,689 | 114,473 | 105,428 | 210,966 | 236,284 | 279,089 |
| | Female | 38,849 | 119,955 | 109,369 | 219,459 | 240,839 | 284,824 |
| | Total | 76,538 | 234,428 | 214,797 | 430,425 | 477,123 | 563,913 |
| Primary | Male | 3,779,338 | 4,150,037 | 4,039,734 | 4,219,523 | 4,122,663 | 4,294,473 |
| | Female | 3,758,633 | 4,147,743 | 4,058,443 | 4,240,197 | 4,141,654 | 4,361,451 |
| | Total | 7,537,971 | 8,297,780 | 8,098,177 | 8,459,720 | 8,264,317 | 8,655,924 |
| Secondary | Male | 517,254 | 648,014 | 662,003 | 727,212 | 657,163 | 765,406 |
| | Female | 437,074 | 546,440 | 596,081 | 635,527 | 608,845 | 691,871 |
| | Total | 954,328 | 1,194,454 | 1,258,084 | 1,362,739 | 1,284,008 | 1,457,277 |
| Post-Primary (BTVET & PTCs) | Male | 23,102 | 27,300 | 28,601 | 35,415 | 33,212 | 37,107 |
| | Female | 6,339 | 11,628 | 14,577 | 23,383 | 24,020 | 26,178 |
| | Total | 29,441 | 38,928 | 43,178 | 58,798 | 57,232 | 63,285 |
| Tertiary (Diploma & Degree awarding) | Male | 88,228 | 95,441 | 100,831 | 113688 | 143,212 | 144,314 |
| | Female | 66,854 | 74,035 | 78,738 | 87,572 | 114,643 | 114,552 |
| | Total | 155,082 | 169,476 | 179,569 | 201,260 | 257,855 | 258,866 |
| **Total** | | **8,753,360** | **9,935,066** | **9,793,805** | **10,512,942** | **10,340,535** | **10,999,265** |

*Source: EMIS 2016*

**Enrolment for Secondary School Education**: - Following the launch of Universal

ESSP FY 2017/18 – 2019/20 **ESSP FY 2017/18 – 2019/20** 17 Secondary Education (USE) in February 2007, enrolment at Secondary School level has witnessed rapid growth. Enrolment for Senior One to Senior Six (1 to S.6) rose by 34% from 954,328 to 1,284,008 students between 2007 and 2015. The sector has made strides in recruiting required teachers, provision of materials and establishment of new schools.

# MAP OF UGANDA

# NAMIREMBE DIOCESE

## CHURCH OF UGANDA (ANGLICAN)


P.O Box 14297
KAMPALA
(Uganda)

**Bishop:** The Rt. Rev. Wilberforce Kityo Luwalira

**Tel:** Off: 0414 - 271682 (All Departments)

**Email:** namid@infocom.co.ug


11th January, 2017

The Headteacher,
Kitende S.S.

Dear Madam,

**RE: MATHIAS KIRYOWA**

This is to introduce to you Mr. Mathias Kiryowa a student of Makerere University. He is also an Education Programme Officer working with KULIKA UGANDA located at Nsambya.

He is carrying out an Education Research as per the attached letter.

Please give him the necessary assistance requested.

**N.B.** In case of any question do not hesitate to return back to me.

Thank you.

Rev'd. Herbert Paul Nyanzi Kabanda
**DIOCESAN EDUCATION SECRETARY**

NAMIREMBE DIOCESE
CHURCH OF UGANDA
(ANGLICAN)
EDUCATION DEPARTMENT

c.c. The Bishop, Namirembe Diocese
c.c. The Diocesan Secretary, Namirembe Diocese.

MAKERERE UNIVERSITY

P. O . Box 7062 Kampala – Uganda
E-mail: deaneduc@educ.mak.ac.ug

Tel: +256 – 414- 540733
Cables: "MAKUNIKA"

COLLEGE OF EDUCATION AND EXTERNAL STUDIES
SCHOOL OF EDUCATION
DEAN'S OFFICE

25th October 2016

*TO WHOM IT MAY CONCERN*

RE: KIRYOWA MATHIAS (REG. 2012/HD04/18403U)

Mr. **Kiryowa Mathias** is a PhD student in the School of Education. He is proceeding to collect data for his dissertation titled: ***Education Financing and Effectiveness of Church Founded Secondary Schools in Uganda.***

Any assistance rendered to him will be highly appreciated.

Yours Sincerely,

Dr. Ezati Betty,
**DEAN**

MUK. COLLEGE OF EDUCATION & EXTERNAL STUDIES
P. O. Box 7062, Kampala, Uganda
25 OCT 2016
DEAN
SCHOOL OF EDUCATION

# MUKONO DIOCESE

Anglican Church Of Uganda

DIOCESAN BISHOP
DIOCESAN SECRETARY
DIOCESAN TREASURER
DIOCESAN ESTATES SECRETARY
DIOCESAN EDUCATION SECRETARY
DIOCESAN YOUTH SECRETARY
DIOCESAN WOMEN SECRETARY

DIOCESAN MEN'S DESK SECRETARY
DIOCESAN PLANNG & DEVELOPMENT SECRETAR'
DIOCESAN COMMISSIONER OF PROJECTS
DIOCESAN MISSION COODINATOR
COODINATOR CHILD DEV. PROGRAMMES
COODINATOR INTERCESSION & CHRISTIAN FORM

*Our Ref:* **MD/DS/11/16**
*Your Ref:*.....

30th November 2016

The Head teacher,

_____

**RE: MR. MATHIAS KIRYOWA**

This is to introduce to you Mr. Mathias Kiryowa a student of Makerere University.

He is carrying out Education Research as for the attached letter.

Please give him the necessary assistance required.

Yours,

Rev. Henry Majwala,
**DIOCESAN SECRETARY.**

c.c. Diocesan Education Secretary.
c.c. The Archdeacons:- Bukoba, Nakanyonyi, Lutikko.



*Diocesan Bishop The Rt. Rev. James William Ssebaggala*
*P. O. Box 39, Mukono UGANDA Tel: 0414-290103 E-mail: mukodise @yahoo.com, Website: www.mukonodioces.org*

The purpose of this communication, therefore:

i) To confirm that the Researcher is a beneficiary of the Catholic Scholarship Programme under the auspices of Kisubi Brothers University on the recommendation of Kampala Archdiocese;
ii) To request that you permit him undertake his research in your School;
iii) To appreciate your co-operation in advance.

Yours sincerely,

Stephen B. Maloba (Dr.)
EDUCATION SECRETARY
KAMPALA ARCHDIOCESE

CC: Education Secretary
- Kampala Vicariate
- Wakiso Vicariate
- Mitala Maria Vicariate
- Entebbe Vicariate

# Archdiocese of Kampala
## Education Office

*Our Ref:* EST/13/15

*Your Ref:* .....

18th August, 2015

The Headteacher

.....

.....

.....

Dear Bro./Sr./Fr./ Mr./Ms.,

RE: PERMISSION TO UNDERTAKE A RESEARCH BASED PhD IN EDUCATION MANAGEMENT OF MAKERERE UNIVERSITY

Mr. Mathias Kiryowa is a beneficiary of the Catholic Scholarship Programme at Kisubi Brothers University on the recommendation of Kampala Archdiocese under the promotion of Catholic Leadership empowerment. He has been permitted to embark on data collection under the topic: "Funding Education Provision in Denomination based Secondary Schools in Uganda".

His study is based on Catholic founded Government – aided and USE Partner Schools in the four Vicariates of Kampala Archdiocese, guided by the following study objectives:

i) To examine the effect of sources of funding on education provision for denomination – based Secondary School in Uganda;
ii) To assess the funding coping mechanism for the denomination- based Secondary Schools;
iii) To establish the effect of funding coping mechanisms on education provision for denomination – based Secondary Schools in Uganda.





P.O. Box 36019 Kampala, Uganda (E.A) • Tel. +256 (0)312 104137 • Email: educationofficelubaga@gmail.com