

EXAMINING THE SCHOOL GOVERNING BODIES' AND THEIR FINANCIAL MANAGEMENT ROLES AND FUNCTIONS IN PUBLIC SCHOOLS

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Abstract

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The purpose of this paper is to examine the school governing bodies (SGBs) and their financial management roles and functions in public schools. Participants were 24 members of the SGBs' finance committees who were selected through a purposive sampling technique. A qualitative research approach was followed, and an exploratory case study design was applied. Data was collected through in-depth interviews, focus group discussions and secondary documents, and it was analyzed through thematic and document analysis techniques. The findings revealed that members of SGBs do not understand their financial management roles and functions as they do not have the requisite knowledge and skills (Bisschoff & Thurlow, 2005; Dlomo et al., 2022; Sebidi et al., 2023). The findings also revealed that some financial decisions are not taken by designated finance committees, and this compromises the financial management responsibility of SGBs. Furthermore, this study finds that parent members of the SGBs are mostly financially illiterate and passive in meetings, hence their reliance on the school principal for financial decisions (Kruger et al., 2022). This study concludes that members of SGBs must be adequately trained in financial management skills so that they can effectively support their schools.

Keywords: Management, Financial Management, School Management, School Governance, School Governing Bodies

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1. INTRODUCTION

According to Mestry (2019), the school system is an organisation that requires finances for the management of various activities of a school. Many scholars claim that financial management is the key aspect that promotes smooth running of such an institution (Bapela, 2012; Maluleka, 2008; Ngubane, 2009). Rangongo (2011) further highlights finance as a very important resource that schools

must manage responsibly to provide quality education. However, Dibete and Potokri (2021) allude that the challenges of financial management, as serious as they are at school level, are not isolated to South Africa, but are prevalent in many countries worldwide. In supporting the importance of financial management, Nong (2007) stated that "finances are the backbone of any organisation and they need to be taken seriously" (p. 79). This implies that

financial management is a valuable skill that has a direct impact on teaching and learning in schools.

As alluded by Sebidi et al. (2023), it is expected that financial management stakeholders in schools should have a basic understanding of financial management. Thus, members of school governing bodies (SGBs), as a governance structure responsible for school funds in South Africa, must be well-trained on financial management through robust and effective training interventions. Dlomo et al. (2022) emphasize the importance of implementing financial proficiency within the South African education system and an evaluation of how it is practised.

Dibete and Potokri (2021) echoed that it is vital that the SGBs, through their finance committees, fully understand the policies related to financial management as the lack of knowledge thereof will put the SGBs under tremendous pressure. The responsibility bestowed on SGBs to manage and account for school funds is a legal authority that must be adhered to as set out in the Public Finance Management Act (PFMA) 1 of 1999 (Republic of South Africa, 1999). The school principal as an accounting officer, should work together with the SGB in managing the school funds. However, this collaboration has its own inherent problems. According to Maile (2002), one of the main problems experienced by SGBs is the high level of illiteracy among members, especially parent members. This makes it difficult for them to understand certain terminology, which further exacerbates their lack of skills and knowledge of financial management.

Mestry (2004) concurs that SGBs face a challenge of lack of the necessary knowledge and skills in financial management, and consequently, this affects their ability to work out practical solutions to practical problems. Similarly, Dlomo et al. (2022) found that members of the SGBs finance committee do not understand their roles and functions because of their lack of financial management skills. Makrwede (2012) and Naidoo (2010) highlighted irregularities regarding the expenditure and the lack of appropriate evidence to support such expenditure in schools. The South African Schools Act (SASA) requires the Department of Education (DoE) to train the SGBs on the management of school finances. Hence, the research revealed challenges faced by SGBs in executing their roles and responsibilities as prescribed in SASA (Chaka, 2005; Heystek, 2004; Makrwede, 2012; Mestry, 2004; Xaba, 2011). Bisschoff and Thurlow (2005) also agreed that there are several challenges faced by SGBs in the management of school finances. Their findings revealed that many members serving on SGBs have limited financial knowledge and skills. Mestry (2006) pointed out the lack of collaboration between the school principals and other SGB members, where principals are unwilling to share responsibility for school governance because of fear of losing power.

The foregoing literature points to a clear gap in SGBs' knowledge and skills regarding financial management, and a lack of understanding of the South African policy framework applicable to financial management in public schools. It is this gap that motivated the current paper whose purpose is to examine the SGBs and their financial management roles and functions in public schools in

the JS Skenjana Circuit, Dutywa District, Eastern Cape Province, South Africa.

The structure of this paper is as follows. Section 2 discusses the extant literature and theoretical framework. Section 3 presents the research methodology. Section 4 proposes the findings. Section 5 discusses the findings. Section 6 concludes the paper.

2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1. International perspectives on school management and governance

As stated by Muthala et al. (2022), and Mthethwa et al. (2022), management is regarded as one of the most crucial human activities. Therefore, people who are placed in positions of management responsibility are expected to plan, organize, lead, and control the activities taking place in their organisations. Schools are not spared from this expectation. To improve the quality of education, schools worldwide have involved the participation of relevant stakeholders in their administrative activities, including school financial management (Sebidi et al., 2023). The school leadership must remain accountable to a central authority for the manner in which resources are allocated to a school. Mohrman et al. (1994) define school-based management as the formal alteration of governance structures. This is a form of decentralization that identifies the individual school as the primary unit of improvement. It further relies on the distribution of decision-making authority as the means through which improvements might be stimulated and sustained. Some formal structures are often composed of principals, teachers, parents and at times students and community residents. These structures are created so that site participants can be directly involved in school-wide decision-making.

According to Soga (2004), decentralisation of authority started in international countries and the South African government followed the trend after 1994 through the establishment of SGBs which oversee school affairs. The author further states that the concept of self-managing schools was first introduced in countries like the United Kingdom (UK), Australia, the United States of America (USA), and New Zealand (Soga, 2004). The notion of giving schools the power to be self-managing in South Africa is supported through decentralisation as emphasized by Naidoo (2005) and Tsotetsi et al. (2008).

2.2. Financial management roles and responsibilities of SGBs in schools

The dawn of democracy in South Africa gave rise to the SASA No. 84 of 1996 (Republic of South Africa, 1996). This legislation governs all schools in South Africa. Section 20 of the SASA legislation sets out the stipulated functions of the SGB (Republic of South Africa, 1996). The SGB has an obligation to draw up a school constitution, which reflects community values and norms (Segwapa, 2008). A particular school's constitution serves as an umbrella, under which all other policies are drawn up. Hence, it should be in line with

the Constitution of the Republic of South Africa, the SASA and other relevant provincial laws (Republic of South Africa, 1996).

The SGBs were established to further the educational aims of the school within the community, inculcate a democratic approach to decision-making, problem-solving, fund-raising and monitoring the usage of school funds (Lamola, 1996). SGBs should make decisions on behalf of the school, see to it that the school is administered properly and that all stakeholders share in the decisions of that institution (Nyambi, 2004). Furthermore, these bodies have a responsibility to formulate, adopt and oversee the implementation of financial policies in their respective schools (Republic of South Africa, 1996). In the same vein, Potgieter and South Africa Department of Education (1997) point that SGBs have to ensure that a school budget is drawn based on the needs of the school.

Members of the SGB need to acquire financial management skills, and knowledge of attendant legislation so that they can perform their duties effectively. Dlomo et al. (2022) allude that in South Africa, the SGBs finance committees in schools struggle with the proper approach to manage their schools' resources expeditiously and efficaciously, hence the need to reflect on whether there are significant gaps between societal expectations of these structures and their current practices. It is, therefore, critical that financial proficiency is implemented within the education system. However, the level to which it is practised needs to be evaluated (Dlomo et al., 2022). This evaluation is important since SGB members come from diverse backgrounds (including parent members who are nominated and voted by local communities), and they tend to display a wide range of governance competency gaps. Heystek (2004) highlighted that low literacy levels and limited experience of financial management are serious challenges that inhibit effective financial management in schools.

Van Wyk (2007) and Mngoma (2009) revealed lack of skills for decision-making and leadership among the parent component in the SGB, especially for rural schools. These competency gaps make these SGB members fall short of effectively contributing to the governance requirements enshrined in the SASA legislation (Republic of South Africa, 1996). There is therefore a need for a considered evaluation of the efficacy of the capacity-building interventions that SGB members are exposed to through DoE initiated training and workshops. This evaluation is necessary to establish if these interventions have imparted the requisite knowledge and skills to SGB members so that they can execute their roles and functions efficiently and effectively.

So, the research question that this study sought to answer is:

RQ1: To what extent do SGBs understand their financial management roles and functions in public schools in the JS Skenjana Circuit, Eastern Cape Province, South Africa?

2.3. Theoretical framework

This study was anchored by two theories which complemented one another. These are path-goal

leadership theory whose modern development is attributed to Evans (1970) and House (1971), and the theory of accountability by Carrington et al. (2008). The path-goal leadership theory postulates that leaders can facilitate task performance by showing subordinates how performance can be instrumental in achieving desired rewards. Thus, it gives a framework within which the effectiveness of financial management influences performance (Matula et al., 2018). Thus, in terms of the tenets of this theory members of the SGB are expected to provide leadership at the school level on governance aspects, including financial management.

The theory of accountability on the other hand describes accountability as a means to ensure that internal policies and procedures are lawful and reflect the best interests of the organisations' stakeholders, where organisations act in accordance with their particular governance arrangements (Rangongo et al., 2016). Accountability, according to Dibete (2015) refers to the process whereby public sector entities, and the individuals within such entities, are responsible for both their clients and their own actions, including their stewardship of public funds and all aspects of their performance and submit themselves to appropriate external scrutiny. Similarly, Toolley and Guthrie (2007) define accountability as the obligation to give an account of one's performance and/or actions. The theory of accountability exposes the consideration of the deficiency of internal control systems in financial matters and capital project management (Babatunde & Dandago, 2014). It is expected therefore, that SGBs will exercise accountability in terms of fostering compliance with existing policies and procedures when it comes to financial management within schools. Mestry (2006) emphasize that SGBs receive public funds and therefore they are obliged to disclose to stakeholders where the funds came from, what they were intended for, what they will be used for and when and how they will be used. This also includes disclosure of who benefited from the funds.

3. RESEARCH METHODOLOGY

This study employs a qualitative approach and an exploratory case study research design. It relies on primary data that was collected using in-depth structured interviews and a focus group discussion. It also relies on secondary data collected from documents such as minutes of SGB meetings and attendance registers. Primary data was collected from twenty-four members of the SGB finance committees in four selected public schools in the Eastern Cape Province, South Africa. The study also relies on scholarly work relevant to the topic, including literature on school management and school governance that have illuminated the challenges of financial management by SGBs. The current study contributes to the overall scholarly work on the topic of financial management in public schools.

Data collected in this study was analyzed through thematic and document analysis techniques. Thematic analysis is a method for identifying and analysing patterns within qualitative data and is a form of pattern recognition within the data (Gray, 2014). The transcribed data was systematically

coded, and the codes were further analyzed to generate subthemes and themes. The research question and the theoretical framework also guided the researcher in synthesizing the codes and generating themes. With respect to secondary data, target documents were examined and analyzed. Content analysis was conducted on each document that was accessed in each school.

4. FINDINGS

This section presents the findings of this study. Guided by the research question and the theoretical framework adopted, the findings are focused on one theme which emanates from two questions that participants had to answer. The questions related to the roles and functions of members of the SGB finance committee. In addition, the findings integrated inputs from documents that were reviewed. The questions were:

1. *Tell me more about your role as an SGB member.*

2. *Please explain: what are the financial management roles and functions of SGB within the school?*

In these questions, the researcher wanted to establish if members of the SGBs finance committees understood their roles and functions, and if they perform their duties in the management of school finances as prescribed by SASA legislation.

4.1. Understanding the school governing bodies financial management roles and functions

There is an inherent expectation that members of the SGBs finance committee would understand their roles and functions within the school environment because these are clearly articulated in the legislation (SASA). However, in the case of SGBs in public schools at JS Skenjana Circuit, this study found that members of the SGBs finance committees have very limited knowledge of their roles and functions in terms of financial management. This finding is supported by verbatim accounts of members of the SGB finance committee and facts from analyzed documents, and they are as follows.

4.1.1. School principals understanding of their financial management roles and functions

It is clear in the responses below that school principals as SGB members still experience gaps in understanding their financial management roles and functions, and this negatively impacts their contribution towards the effectiveness of the SGB finance committees.

To confirm this observation, the principal of school A said the following: *"I still have gaps on roles and responsibilities with regards to financial management. Capacity building is necessary, so that I can be able to assist the finance committee in performing duties confidently"* (personal communication, November 15–December 8, 2015).

The principal of school B stated as follows: *"As the accounting officer of the school, I have to ensure that the finance committee manages the school finances according to the legislation. The department of education has a huge role to play in capacitating me so that I can support the finance*

committee" (personal communication, November 15–December 8, 2015).

The principal of school C said: *"I have to give support and mentor the finance committee so that school funds are managed properly. I need monitoring and support from the district office so that I acquire more skills to assist the entire SGB"* (personal communication, November 15–December 8, 2015).

The principal of school D also said: *"Monitoring, evaluation and support by the department is the solution to the crisis we are facing in managing school finances. An ongoing training will assist and improve management of school finances"* (personal communication, November 15–December 8, 2015).

As adduced from the responses above, the school principals reported a dire need to be capacitated further by the DoE to monitor and give support to their school's SGBs on the management of school finances. The principals represent the DoE and are ex-officio members of the SGB according to the SASA. They are also accounting officers in schools. Therefore, it is quite necessary for principals to be capacitated to lead, support, and offer proper guidance and direction to the SGBs. Despite the training offered to members of SGBs, this study reveals that principals are still experiencing gaps in fulfilling their roles in the management of school finances because the training offered to them was inadequate to fill capacity gaps. Thus, they need more support from the DoE to adequately perform their duties as members of SGBs.

4.1.2. Finance officers' understanding of their financial management roles and functions

From the data analyzed, it appears that the finance officer in school A is an educator and is experiencing work overload which is constraining the discharge of his/her functions in managing school finances. Consequently, this study reveals that the financial management role appears to be compromised as the finance officer in this school spends most of the time in class. To support this observation, the finance officer from school A stated the following: *"My primary role as a finance officer is to control the flow of funds in the school although this is tedious as I have my own class to take care of. I am not happy about this situation as teaching and learning is compromised in many instances. The Principal and SGB should find someone else to do the job I cannot carry the load"* (personal communication, November 15–December 8, 2015).

In school B, the finance officer seems to understand her role though there is no monitoring. The finance officer from school B said: *"My primary role is day to day management of school finances, recording all the income and expenditure in the journal and finally prepare monthly financial report"* (personal communication, November 15–December 8, 2015).

In schools C and D, finance officers are administrative clerks who seem to be confused and showing signs of incompetence, they seemed not to understand their roles. This is what they both stated to express their concerns.

The finance officer from school C said: *“I received introductory training only and as such, I am unable to prepare financial records properly. The department must conduct training regularly to improve skills and knowledge in managing finances. I solely depend on the assistance from the principal”* (personal communication, November 15–December 8, 2015).

The finance officer from school D said: *“I control and manage all the finance documents and prepare finance report without proper guidance and support. Capacity building and training on financial management skills will assist in performing my duties better”* (personal communication, November 15–December 8, 2015).

The finance officers are responsible for the proper recording of the school’s income and expenditure. Record keeping is important since it helps to verify financial transactions and accounts reconciliation. This study reveals that the training received by finance officers was inadequate, as they echoed in their responses. Inadequacies are attributed to improper training on financial management, as the finance officer in school C cited that training received was introductory. The lack of proper guidance and support are other contributing factors that the current study finds.

4.1.3. Treasurers understanding of their financial management roles and functions

From the data analyzed, it appears that the main focus of the treasurer’s role within the SGBs is reduced to signing cheques. As shared in the response below, the treasurer from school A does not seem to be well-equipped to understand the other roles of the treasurer besides signing of cheques. The treasurer from school A had the following to state: *“As a treasurer, the principal calls a meeting to inform the SGB whenever there is money received so that we can discuss and make inputs. Although my duty is to sign cheques, I think it is not clearly stated how far I go in executing my duties”* (personal communication, November 15–December 8, 2015).

The treasurers of schools B and C seem to be aware of the processes that should precede the signing of cheques, but the challenge is the notice period that is given which place due processes at risk. They both express their concerns as follows.

The treasurer from school B said: *“I am aware of the processes and procedures that take place before signing of cheques. My greatest challenge is short notice that I am given to sign a cheque and as such, I sometimes sign cheques in rush without ensuring that all processes have been followed correctly”* (personal communication, November 15–December 8, 2015).

The treasurer from school C said: *“I am not informed in good time about coming to school to sign cheques. I am just called to sign in the cheques within a short notice. There is an urgent need for the Department of Education to capacitate SGBs on the roles and responsibilities”* (personal communication, November 15–December 8, 2015).

In school D, the treasurer seems to be signing cheques without evaluating the supporting documents because such are not provided, and this

places the school finances at risk of mismanagement. This situation paints a worrying picture from an accountability and good governance perspective.

The treasurer from school D said: *“There is a lack of transparency and openness from the principal. I think more clarity is needed because at times I just sign without seeing documents informing how procurement was done. Training is needed to define clear roles and responsibilities”* (personal communication, November 15–December 8, 2015).

The treasurer is responsible for oversight of financial expenditure in the school. Furthermore, the treasurer must understand all the financial procedures and ensure that documents comply with the stated requirements before they are signed. Treasurers are parents in the SGBs at JS Skenjana Circuit, and most of them are illiterate. Usually, these parents do not understand the terminology used and financial management procedures. Seemingly, principals are exploiting this lack of knowledge by enticing these treasurers to process payments blindly. Ideally, at least two days’ notice should be given to the treasurers for them to come to school and peruse the paperwork before they sign the cheques. Treasurers are the gatekeepers of the school budget, and they need to ensure that funds are spent in line with the budget. Hence, they need to ensure that procurement procedures are followed properly. This study revealed that the training offered by DoE does not adequately empower treasurers to understand and perform their roles effectively and efficiently.

4.1.4. Responses from the focus group discussions

Two focus group discussions were held, and they consisted of the SGB chairperson, the educator, and the parent from each school. These focus group participants were asked to respond to two questions mentioned above.

In these questions, the researcher wanted to establish if these members of the focus group understood the SGBs roles and functions, and if they perform their duties in the management of school finances as prescribed by SASA legislation.

Participants in the two focus groups seemed to be aware of their roles and functions, but they lack necessary skills and knowledge to support the work of the finance committee as evident in the responses below.

Focus Group 1 stated as follows: *“Our role as the SGB is to ensure that teaching and learning take place and all the required resources are available to achieve quality teaching and learning, to monitor whether school funds are spent according to the budget. Our primary responsibility is to see that school funds are not misused and proper procedures and guidelines on managing school finances are being followed accordingly”* (personal communication, November 15–December 8, 2015).

Focus Group 2 stated the following: *“Our role is to monitor how funds are spent and ensure that funds are spent according to budget. We are responsible for giving support to the finance committee, but that support is not effective as we lack necessary skills to perform duties effectively and*

efficiently" (personal communication, November 15–December 8, 2015).

This study reveals that there is a dire need for capacity building of the SGBs to effectively manage school finances. Furthermore, this study finds that the training offered by DoE to members of finance committee failed to capacitate the SGBs to effectively oversee the school finances as they still lack the requisite financial management skills post-training.

4.2. Secondary data

The perusal of secondary data was very important to triangulate the responses received from participants

during the interviews and focus group discussions. The then South African DoE (2004) provided guidelines on the meetings of SGBs to support sound financial management and proper governance at schools. In terms of compliance with these guidelines, the analysis of documents in the current study revealed the following.

4.2.1. Minutes of SGB meetings

With regards to the preparation and keeping of minutes of SGB meetings, the analysis of documents revealed the following issues as presented in Table 1.

Table 1. Status of minutes of SGB meetings

| <i>School</i> | <i>Status of minutes of SGB meetings</i> |
|---------------|---|
| School A | The minutes of SGB meeting were prepared by following the DoE guidelines with all the items reflected. All members that were present appended signatures at the end of the minutes. The minutes did not reflect any items related to school finances. There were no minutes for finance committee meetings. The minutes did not indicate anything regarding the quorum. |
| School B | There seems to be order in school B. The minutes for both the SGB and finance committee meetings were prepared as suggested in the DoE guidelines on writing minutes. All the items under discussion appeared in the minute book. The minutes of the finance committee were available. The minutes of the finance committee also followed the similar path and reflected discussions on financial matters of the school. The matter on whether the quorum was satisfactory or not, was not reflected in the minute books. In all the minute books the chairperson and the secretary certified (signed) the minutes. |
| School C | The minutes of the SGB meeting were not properly formulated. Further, the minutes did not follow the path as suggested in the DoE guidelines. Members that were present signed. There were no minutes for the finance committee. The meetings were chaired by the principal instead of the SGB chairperson. The minutes did not reflect any item concerning the quorum of the meeting and declaration for conflict of interest. |
| School D | The minutes were poorly prepared since they (i.e., minutes) did not follow the format suggested in the DoE guidelines. There was a high rate of absenteeism from the parents in SGB meetings in this school. Therefore, there were no minutes available for the finance committee. |

The findings from secondary data reveal that SGBs are struggling with minutes writing. Only school B had minutes for the finance committee. Seemingly, schools A, C and D did not hold finance committee meetings as there were no minutes available. The SGBs in these schools showed negligence in ensuring that the finance committee holds meetings to discuss financial issues. The aspects of ensuring that a quorum is met to conduct the meeting and that the declaration of the conflict of interest is completed were not understood. This study finds that the training offered by DoE did not adequately equip members of the SGB in minutes writing, the importance of meeting attendance, the importance of a quorum and declaration of conflict of interest. This study

further revealed that finance-related decisions in some of the schools that took part in this study are not taken by the finance committee of the SGB and this highlights a serious governance failure.

4.2.2. Attendance registers of meetings

As suggested in the DoE (2004) guidelines, the attendance registers must be signed by all SGB members present in the meeting. Attendance register must indicate the date, names of the members, contact numbers and signatures. The analysis of attendance registers of SGB meetings at each school revealed the following as depicted in Table 2.

Table 2. Status of SGB meetings attendance register

| <i>School</i> | <i>Status of SGB meetings attendance register</i> |
|---------------|--|
| School A | The attendance register was well designed, since it featured date of the meeting, name, contact number and signature. All members signed the attendance register. The registers reflected good attendance. |
| School B | Attendance registers for both SGB and finance committee meetings were properly designed and filed. |
| School C | The attendance registers that were available were for the SGB meetings only. Some registers were missing due to poor filling and there was a high rate of absenteeism. |
| School D | There is no order in this school, the attendance registers were not properly filed, but just loose papers. The available registers reflected poor attendance by SGB members. |

The findings of this study reveal that the schools have the capacity to manage the attendance of SGB meetings as there is evidence that attendance registers are signed. However, although attendance registers were signed, the high rate of absenteeism by some members of SGB does not reflect full representation and this affects decision-making. To this end, the findings from the documents analyzed corroborate the findings

revealed through interviews and focus group sessions. There is widespread evidence of poor financial management within schools at JS Skenjana Circuit because the DoE (2004) guidelines regarding meetings of SGBs are not complied with, and some meetings take place without reaching quorum, and members absenteeism in meetings is a serious challenge that is impacting the quality of decisions taken.

4.3. Integration of findings from primary and secondary data sources

The findings of this study were integrated and triangulated to adduce a holistic picture of the phenomenon under investigation in this study.

The findings of this study reveal that members of the SGBs do not understand their financial management roles and functions in the JS Skenjana Circuit, Eastern Cape Province, South Africa. From the interviews, focus group sessions and documents analyzed, it is evident that members of the SGBs do not have adequate knowledge and skills to be able to discharge their financial management roles and function effectively and efficiently, and thus the financial management task at the schools is seriously compromised as some decisions are not taken by a designated SGB finance committee. Furthermore, this study finds that members of the SGBs rely on the school principal for decisions and are mostly passive in the meetings due to financial illiteracy. Financial illiteracy occurs when financial management stakeholders lack basic education, knowledge, and understanding in the management of finances in their schools (Sebidi, 2019). The study further finds that members of the finance committee are battling to perform their tasks due to illiteracy and skills deficit, as some do not even understand basic activities such as budgeting, procurement processes, financial statements, and financial reports.

5. DISCUSSION

Whilst the purpose of this study was to examine the SGBs understanding of their financial management roles and functions at selected schools, the findings revealed that SGBs in the JS Skenjana Circuit do not understand their financial management roles and functions, despite these being articulated in the SASA legislation, and after DoE training. Mestry (2004) highlights an important challenge facing SGBs, namely, lack of the necessary knowledge and skills for financial management and consequently, the inability to work out practical solutions to practical problems. Since the enactment of SASA more than two decades ago and despite the endeavours by the provincial DoEs to train the SGBs on the management of school finances, research revealed challenges faced SGBs in executing their roles and responsibilities as prescribed in SASA (Chaka, 2005; Heystek, 2004; Makrwede, 2012; Mestry, 2004; Xaba, 2011).

Given that the Eastern Cape province is one of the poorest provinces and that the current study took place in a rural setting, the findings of this study are consistent with arguments presented by Kruger et al. (2022) who alluded that SGBs in rural areas are often dominated by parents who are illiterate and without administrative and financial experience to oversee the affairs of the schools. Another research that corroborates the finding of the current study was conducted by Dibete and Potokri (2021), who found that none of the SGBs in Maraba circuit of the Limpopo Province were able to produce any minutes of finance committee meetings and neither was there any evidence of the finance committees reporting to the SGB despite the recommendations in the literature.

Rangongo et al. (2016) studied the views of role players on the causes of financial mismanagement in South African public schools and found deficient skills and lack of understanding of legal requirements, ineffective monitoring and financial controls, unavailability of financial policies in schools, lack of action against culprits, dishonesty and lack of transparency and trustworthiness among the role players as some of the main causes. The current study also revealed that members of SGBs have inadequate skills to discharge their roles and functions; some finance committees did not hold meetings despite evidence of finance-related decisions being taken elsewhere and implemented at schools; some SGB members did not understand the procurement process, the financial statements, and the financial reports. These findings align with those of Dibete and Potokri (2021) who also found that the finance committees in the schools they investigated were not as effective as they ought to have been. Even though four schools did not have the finance committee in the Dibete and Potokri (2021) study, they still managed to procure goods/services.

The picture for urban schools appears to be a little better. In their study at five fee-paying Pretoria urban public primary schools, Aina and Bipath (2020) found that the financial managers (the principal, SGB chairperson, and school accountant) had the relevant experience and information of how to manage their school funds, but the unavailability of parent members of SGBs was a barrier to effective financial management. As alluded by Kruger et al. (2022), SGBs in South African urban schools are dominated by well-off and highly qualified professionals and managers, predominately whites, but also include a small and growing complement of black people who have accumulated some experience in running schools under the old model C system.

However, this observation is a stark contrast to the situation in the JS Skenjana Circuit, Eastern Cape Province, South Africa wherein most parent members of the SGBs are academically and/or financially illiterate. The current study took place in no-fee public schools in the rural areas of the Eastern Cape province; hence the findings are incongruent to those of Aina and Bipath (2020) whose study was focused on urban fee-paying primary schools. The SGBs in most rural public schools seem to have challenges that are mainly linked to illiteracy and lack of skills. With most rural parents lacking the educational capacity to carry the role of the treasurer or to participate meaningfully in decision-making within SGBs, it becomes a common course that challenges are bound to prevail in terms of accountability for school finances.

6. CONCLUSION

A conclusion drawn from this study that members of SGBs at JS Skenjana Circuit, Eastern Cape Province (South Africa) do not understand their financial management roles and functions, mainly due to lack of support, illiteracy and/or lack of financial management skills. There is a general lack of skills and illiteracy amongst some SGB members, particularly parents, in this rural province. Although

literature reveals that SGBs in urban public schools are better off in terms of financial management skills among other members, the SGBs in public schools in the JS Skenjana Circuit generally appear to be in the periphery of accountability and effectiveness. Consequently, the legislative mandate given to SGBs as articulated in the SASA has now become contingent to socio-economic conditions and the level of literacy of members across many rural parts of South Africa.

This study therefore recommends that the Eastern Cape Provincial Department of Education together with the management of Dutywa district must take urgent measures to audit the skills of SGB members with a view to implement a fit-for-purpose training intervention that caters for the training and knowledge gaps that were revealed in the current study.

A comparative study may be necessary to examine the effectiveness of SGBs in fee-paying and no-fee-paying public schools in the rural districts or circuits, or to examine the effectiveness of SGBs in fee-paying and no-fee paying schools in the urban districts of South Africa

The limitation of this study is that it took place in one district in the Eastern Cape province, South Africa. Thus, the uniqueness of the districts (economic activities, literacy rates, distribution of wealth) must be considered when interpreting the findings of the current study.

Another limitation is that the study focused on SGBs in no-fee public schools. There are fee-paying public schools in Dutywa District in the Eastern Cape province, and their circumstances may be different. So, the findings of this study must be interpreted with this factor in mind.

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