

**THE CHALLENGES OF MANAGING NO-FEE SCHOOLS: A CASE
STUDY OF TWO NO-FEE SCHOOLS**

BY

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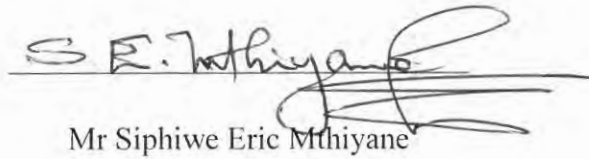
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SUPERVISOR'S STATEMENT

This dissertation has been submitted with / ~~without~~ any approval.


Mr Sipiwe Eric Mthiyane


March 2013

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Researcher: _____



Supervisor: _____



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DEDICATION

This study is dedicated to my late father, Mashiloni Lawyer Zondi, who passed away in May 2010.

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ABSTRACT

This study investigated the challenges experienced by the principals and the finance committees in managing no-fee schools. A case study was conducted in two secondary schools from Scottburgh circuit in Ugu District of KwaZulu-Natal. The aims of this study are to explore the challenges experienced by the principals, SGB chairpersons and treasurers in managing no-fee schools and to establish suggested solutions offered by the participants to the challenges they experienced in managing no-fee schools. This qualitative study was set in the interpretivist paradigm. The data generation tools used are the semi-structured interviews and documents review. The two theories which underpin this study are formal theory and structural theory. A review of international, national and local literature on the challenges of managing no-fee schools has shown that same challenges are being experienced in different countries.

The findings of this study are that the general understanding of the participants of the no-fee schools policy is that it is meant to provide free education especially for the poor. They also raised some challenges in managing no-fee schools such as the gap created by not collecting school fees, no-fee schools are directed on how to use their school allocation which they feel it restricts them. Furthermore, late deposits of funds by the DoE, the policy takes away the culture of paying from the parents. Finally they offered the solutions to the challenges such as the provision of infrastructure to no-fee schools

Some of the recommendations based on the findings are that the contents of the no-fee schools policy should be revised in consultation with the SGBs and school management teams. The amount of money given to no-fee schools should be based on the school needs not the number of learners in the school. Thereafter the no-fee school will be able to provide quality education.

LIST OF ABBREVIATIONS

DOE – Department of Education

SASA – South African Schools Act No. 84 of 1996

SGBs – School Governing Bodies

PFMA – Public Finance Management Act No. 29 of 1999

LTSM – Learning, Teaching Support Material

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CHAPTER ONE

INTRODUCTION TO THE STUDY

1.1 Introduction

Before 2007 almost all schools in South Africa had to supplement the resources which the state provides by raising additional resources in order to improve the quality of education (South African Schools Act No.84, Section 36(1), 1996). Most schools did this through charging school fees. This changed in 2007 when the Department of Education implemented a no-fee schools policy for some schools which was an attempt to address existing inequities amongst the schools (Department of Education, 2006). Those schools falling in quintiles one and two were declared no-fee schools. This is supported by Ahmed and Sayed (2009) who claim that schools in poorer quintiles one, two and three are no-fee schools and so receive larger financial allocations and those in better-off quintiles receive smaller state allocations.

The purpose of this research is to understand the challenges experienced by the principals in managing no-fee schools and establish the solutions to these challenges. In this chapter, the rationale, statement of the problem, research aims and key questions are discussed. It also deals with the significance of the study, definitions of key concepts, review of literature, research design and methodology which involves sampling, data generation tools and data analysis. To conclude this chapter, ethical considerations, theoretical frameworks, limitations, demarcation and organisation of the study as well as the chapter summary are discussed.

1.2 Rationale for the study

I have taught in three high schools for nineteen years and they were charging school fees from the parents until 2006 when two of them were declared no-fee schools. I have realised that these schools are struggling at the beginning of the year with funds as compared to those who are fee-paying schools. These schools also had general workers who were paid from school fees when they were still charging them. However, when they were declared no-fee schools, they had to retrench these workers as they had no financial resources to pay them. Further, they are not allowed to pay them from the state allocations. The no-fee schools policy was introduced in 2006

and it followed the National Department of Education's review of school fees in 2003 which raised the issue of parents not being able to pay school fees (Department of Education, 2006). The objective of this policy is to bring financial relief to parents of school-going children who cannot afford to pay school fees, thereby being denied access to schools (Juan, 2007). As the principal of a fee paying school, I have noted that the principals of no-fee paying schools always raise the challenges they are experiencing in managing no-fee schools in the principals' meetings. It is my intent to embark on an in-depth study on the challenges experienced by the principals when managing no-fee schools and what solutions they can offer.

1.3 Statement of the problem

The broad research problem of this study concerns the challenges experienced by the principals in managing no-fee schools. The no-fee schools have to operate at the beginning of every year without any funds until May or June when they receive their respective allocations of state funds. During the first three months the no-fee schools fail to make payments for basic things like telephone bills, petrol for the generators and photocopier maintenance as the schools have no source of income (Juan, 2007). This is a challenge that is normally experienced by the principals when managing no-fee schools.

Furthermore, there are costs like transport, payment of salaries to school governing body paid employees and buildings which cannot be paid from the state allocated funds. It is also challenging to manage section 20 no-fee schools because they only receive ten percent of their allocations as the petty cash and other funds are controlled by the Department of Education. Some principals have attempted to request parents to voluntarily contribute funds to the schools but that has never made any impact because only few parents paid.

Juan (2007) refers to the article issued by the Mail and Guardian (13 May 2007) which reported that principals have been forced to cut back on essential services such as security and auditing of school finances, because the schools have less revenue currently compared to when fees were charged. Such experiences have been the motivation for this study to explore the challenges experienced by the principals in managing no-fee schools.

1.4 Significance of the study

The significance of this study is to uncover the underlying challenges experienced by the principals in managing no-fee schools and also to assist the Department and the no-fee school principals with the suggested solutions to the challenges. Juan (2007) conducted a study on the no-fee schools policy focusing on the implementation in no-fee schools but not on the day-to-day managing of the no-fee schools. The other study conducted by Mestry (2006) was on the financial accountability, questioning whether the principal or the school governing body is responsible. This study is significant because it is focusing on the experiences of the principals when managing no-fee schools as they are tasked with the day-to-day management of the schools. It will also add to the body of knowledge on the management of no-fee schools.

1.5 Research aims and questions

The aims of this research are:

- To explore the challenges experienced by the principals, SGB chairpersons and treasurers in managing no-fee schools.
- To establish suggested solutions offered by the participants to the challenges they experienced in managing no-fee schools.

To achieve these aims, this research seeks to answer the following questions:

- What are the principals, SGB chairpersons and treasurers' experiences and challenges in managing no-fee schools?
- What solutions do participants offer to the challenges they experience in managing no-fee schools?

1.6 Definitions of key concepts

In order to facilitate a common understanding of terms used in this study, a few are defined below:

1.6.1 Quintiles

According to SASA, section 35(b) school quintiles are the resource targeting lists of all schools in each province in South Africa, allocated according to the conditions at the school and the poverty index of the community served by the school. SASA has suggested five groups of schools from the poorest (quintile one) to the least poor (quintile five), (South African Schools Act no.84, section 4(100), 1996).

1.6.2 No-fee schools policy

The no-fee schools policy was introduced in 2006 following the National Department of Education's review of school fees in 2003 which raised the issue of parents not being able to pay school fees (Department of Education, 2006). The main aim of the no-fee schools policy is to assist those parents who cannot pay school fees for their children. No-fee schools policy was formulated to abolish fees in schools placed in the poorest quintiles (Juan, 2007).

1.6.3 Implementation of the policy

Implementation of policy refers to all the actions by individuals or groups that are directed at achieving the policy objectives (Parsons, 1995). Implementation can be viewed as policy in action and is the manner in which policy is carried out (Juan, 2007).

1.6.4 Budgeting

A budget is a plan expressed in quantitative terms, usually money, covering a specific period of time, usually one year. It can be described as a plan for the allocation and expenditure of resources to achieve the objectives of the school (Bisschoff & Mestry, 2009).

1.6.5 School financial management

School financial management is the performance of management actions connected with the financial aspects of schools, with the main aim of achieving effective education, carried out by a

person in a position of authority (Bisschoff & Mestry, 2009). The principals are responsible for the day-to-day management of the schools therefore they have to manage school finances as members of the finance committee.

1.7 Review of literature

A literature review is the engagement of the existing scholarship or available body of knowledge (Mouton, 2001). It helps the researcher to see how other scholars have investigated the research problem that he is interested in (Mouton, 2001). In other words, we do a literature review to familiarise ourselves with the current state of knowledge regarding the research problem and to learn how others have delineated similar problems (Delpont & Fouche, 2005). The literature review serves as the theoretical basis for this study. This literature review focuses on the latest international and national literature on no-fee schools and the experiences of principals in managing them.

The engagement and review are necessary to contribute valuable information to my study. This review also enables the study to fill in the gaps in the current literature. The literature review covers the following aspects: no-fee school policy and implementation in schools, financial skills of principals and no-fee school finance management. This review is organised thematically and I have chosen these readings because they are relevant and related to the study focus. They also elaborate the experiences of principals in managing school finances, implementation of the no-fee school policy and the financial skills of the principals.

1.8 Theoretical frameworks

This study is underpinned by two theories: the formal theory and the structural theory. The formal theory presents the authority of leaders as essentially a product of their official positions within the organisation and principals possess authority over the staff because of their formal roles within schools (Bush, 2003). Caldwell (1992) argues that in a formal theory, managers of schools must be able to develop and implement a cyclical process involving seven managerial

functions: goal-setting; needs identification; priority-setting; planning; budgeting; implementing and evaluating.

1.9 Research design and methodology

1.9.1 Research design

A research design describes how the study is to be conducted, summarises the procedures for conducting the study including when, from whom and under what conditions the data will be obtained (McMillan & Schumacher, 2006). In other words it indicates the general plan of conducting the study.

1.9.2 Research methodology

This qualitative case study is positioned in the interpretive paradigm and focuses on interpretation of the experiences of the no-fee school principals. McMillan and Schumacher (2006) refer to methodology as a design whereby the researcher selects data collection and analysis procedures to investigate or answer specific research problems or questions respectively.

1.10 A case study

This study utilises a case study approach. Yin (2012) defines the case study as the study of a case in a context and it is important to set the case within its context. An in-depth case study will be used in this study in order to obtain the direct information about the experiences of principals in managing no-fee schools.

1.11 Data generation methods

This study uses two methods of generating data, namely, semi-structured interviews and documents review which shall be discussed in detail in Chapter Three.

1.12 Sampling

In this study, purposive sampling is applied. Maree (2007) describes purposive sampling as the manner in which the participants are selected because of some defining characteristics that make them holders of the data needed for the study and it involves smaller sample sizes. For this research, four principals of the no-fee schools were selected as participants.

1.13 Data analysis

Data analysis is the process of bringing order, structure and meaning to the mass of generated data (De Vos, 2005). Qualitative data analysis involves organising, accounting for and explaining the data; in short, making sense of data in terms of the participants' definitions of the situation, noting patterns, themes, categories and regularities (Cohen, *et al.*, 2011).

1.14 Trustworthiness

Trustworthiness refers to the truth value of the study, its applicability, consistency and neutrality (Lincoln & Guba, 1985). Trustworthiness of the findings can be tested using the four criteria developed by Lincoln and Guba (1985) which are the credibility, transferability, dependability and conformability. In order to ensure the trustworthiness of this study, I applied the following canons as paraphrased by Marshall and Rossman (1995), use more than one method of data generation (triangulation) to ensure the credibility of the findings, whereby semi-structured interviews are complemented by a document review of each school.

1.15 Ethical issues

Ethics is a set of moral principles which is suggested by an individual or group, is subsequently widely accepted, and which offers rules and behavioural expectations about the most correct conduct towards experimental subjects and respondents, employers, sponsors, other researchers, assistants and students (Strydom, 2005). According to Kvale (1996), there are three main areas of ethical issues which are informed consent, confidentiality and the consequences of the interviews. All ethical issues have been observed. I applied for the ethical clearance from the

University of KwaZulu-Natal first. Then I wrote a letter to the Provincial Department of Basic Education requesting them to allow me to conduct the research in two no-fee schools. Furthermore I also wrote a letter to the participants informing them about the research and its purpose and requested them to participate in it.

1.16 Limitations of the study

The principals of schools, who are participants, are always busy which limits the time they have to assist in conducting the study. In order to mitigate these limitations, I have requested all the participants to give me the dates in which they were not busy in their schools.

1.17 Demarcation of the study

This study focused on the challenges experienced by the principals in managing no-fee schools in four no-fee schools in the Umthwalume ward (Ugu district). The study is undertaken in response to my observations and discussions with the principals about their experiences of managing no-fee schools during principals' meetings. Furthermore, in this study, the principals offer solutions to the challenges of managing no-fee schools.

1.18 Organisation of the study

The study is divided into five chapters which are outlined as follows:

Chapter One presents the background and the orientation to the study. It is briefly outlining on literature review and theoretical frameworks; research design and methodology.

Chapter Two provides the analysis of the existing, relevant literature about the no-fee schools nationally and internationally. It also reflects on the theoretical frameworks that are underpinning the study.

Chapter Three presents a comprehensive design of the research and the methodology approach as well as the tools used to generate data.

Chapter Four provides a data presentation and discussion of findings based on the key research questions.

Chapter Five presents the summary of the study, conclusions and recommendations of the study.

1.19 Chapter summary

This chapter has provided an outline of the rationale, problem statement, research aims and questions, the significance of the study and definitions of key concepts. It also presented a brief outline of the literature review, theoretical frameworks, research design and methodology, ethical considerations, limitation, delimitation and organisation of the study. In the next chapter, a detailed review of literature and theoretical frameworks are discussed.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORKS

2.1 Introduction

In the previous chapter, I provided an introduction to the study by explaining the rationale, statement of the problem, research aims and key questions. I also briefly dealt with the significance of the study, definitions of key concepts, brief review of literature, research design and methodology which involves sampling, data generation tools and data analysis. To conclude the previous chapter, ethical considerations, theoretical frameworks, limitations, demarcation and organisation of the study were briefly discussed. In this chapter, I will engage in a detailed review of the relevant literature and theoretical frameworks that underpin this study.

2.2 Review of related literature

A literature review is a critical and integrative synthesis or evaluation of journal articles, books and other documents that describes the past and current state of information on the topic of one's research study (Creswell, 2012). The literature review serves as the theoretical basis for the research study. This literature review focuses on the latest international, continental and national literature on no-fee schools and the experiences of principals in managing them. The engagement and review are necessary to contribute valuable information to my research study. The literature review will cover the following aspects from international and national literature: no-fee schools policy and implementation in schools, financial skills of principals and no-fee school finance management.

This review will be organised thematically and I have chosen these readings because they are relevant and related to the study focus. They also elaborate the experiences of principals in managing school finances, implementation of the no-fee school policy and the financial skills of the principals.

2.2.1 The implementation of no-fee schools policy in schools internationally

Implementation of policy refers to all the actions by individuals or groups that are directed at achieving the policy objectives, in other words for each step, the policy implementer must determine precisely what must be done and by whom in order to reach the desired outcome (Weimer & Vining, 2005). Implementation can be viewed as policy in action and is the manner in which policy is carried out (Juan, 2007). The principals of no-fee schools must ensure that the structures like the school governing body and school management team are utilising school funds in such a way that they achieve the goals they have set. In implementing the no-fee schools policy, the DoE attempted to facilitate the access to education by eliminating the barrier of fees (Juan, 2007).

In England, state-run schools and colleges are financed through national taxation, and take pupils free of charge between the ages of three and eighteen; the schools may levy charges for activities such as swimming, theatre visits and field trips, provided the charges are voluntary, thus ensuring that those who cannot afford to pay are allowed to participate in such events (Gove, 2012). A significant minority of state-funded schools are faith schools, which are attached to religious groups, most often the Church of England or the Roman Catholic Church and there is also a small number of state-funded boarding schools, which typically charge for board but not tuition (Gove, 2012). Even in South Africa those boarding schools that are no-fee schools, also charge the boarding fee which also include meals because the government does not provide meals during weekends and in the afternoons (Department of Education, 2010).

In Australia, school education is compulsory from the age of five to six to the age of fifteen to seventeen and government schools are free to attend for Australian citizens and permanent residents, while Catholic and independent schools usually charge attendance fees. However, in addition to attendance fee; stationery, textbooks, uniforms, school camps and other schooling costs are not covered under government funding (Garrett & Evans, 2012). This schooling system differs with South Africa's system because the government also provides stationery and textbooks but not school uniforms and other schooling costs like sports and even transport in other areas (Department of Education, 2012).

2.2.2 Implementation of the no-fee policy in schools in the African continent ✓

In Uganda, President Museveni announced and implemented the abolition of school fees in primary schools in 1996 and there has been a dramatic increase in primary school enrolment rates, albeit with problems involving shortages of teachers and materials (Stasavage, 2005). Stasavage (2005) further states that it is noteworthy that leaders in Tanzania (2001), Kenya (2003), and Malawi (1994) have also announced the abolition of school fees following presidential elections. Over the last fifteen years a number of other countries, including Burundi, the Democratic Republic of the Congo, Ghana, Ethiopia and Mozambique have also experienced explosive growth in primary school enrolment following the elimination of school fees (Fleshman, 2010).

In Botswana, basic education is accessible to all children at no fee in primary schools; however, one needs to note that it is not compulsory even though ninety eight percent of children have access to basic education. Education at the level of a senior secondary school has been free for many years now, but on government's introduction of cost sharing in January 2006, a minimal amount at secondary school is expected from parents (Ngubane, 2009). In addition, according to Adepoju and Fabiyi (2007), who did a study on the challenges and prospects of free Universal Basic Education in Nigeria which was implemented in 1999, the teachers stated that their classrooms were overcrowded and were not comfortable or conducive for teaching and learning. Students also reported that they receive twenty percent of books which are inadequate to equip them for classroom work.

In Kenya when classes resumed at the beginning of 2003, teachers, parents and students were all coming to grips with a hastily implemented campaign promise by new President Mwai Kibaki: the elimination of fees at the country's 17000 public schools (Harman, 2003). Teachers, headmasters and parents scrambled to find desks, pencils and books for over a million extra students (Fleshman, 2010). This promise was hastily implemented without considering the challenges of the availability of resources like teachers, buildings, furniture in schools and sufficient state funds to finance this plan. Furthermore Fleshman (2010) states that the number of primary students in Kenya has increased by nearly two million and the share of students completing primary school jumped from 62.8 percent in 2002, the last year fees were charged, to 76.2 percent two years later as fewer poor children were forced out for non-payment. This makes

virtually no impression on the massive increases in capital spending needed to bring black schools up to acceptable standards in terms of classrooms, science laboratories, libraries, computers and sports facilities (Lemon & Battersby-Lennard, 2009). According to Harman (2003), two previous presidents of Kenya, both abolished fees for a period but on each occasion the fees were soon reintroduced when the full cost of the experiment became apparent. This means that the abolition of school fees is a precondition for getting large numbers of poor children into school, but it must be accompanied by strong public and political support, sound planning and reform, and increased financing (Fleshman, 2010).

According to Fleshman (2010), in Kenya, the government did a number of things right and did them quickly: the first step was to mobilise support among parents, teachers and administrators; the second step was to find money, as the government released S6.8 million in emergency grants-S380 per primary school to cover immediate needs like exercise books, pencils and other supplies; overall, domestic spending in education increased from about S703 million in the school year of 2001/02 to S921 million in 2003/04, a third of the national budget; donors stepped up as well, with the World Bank, the Swedish government and others contributing S82 million in additional funding over the next two years; the government then embarked on a major overhaul of the primary school financing system and rather than channel funds through the Education Ministry, it chose instead to provide student grants directly to individual schools. The principals of no-fee schools in Kenya had fewer challenges in managing these schools as compared to other African countries because their government had made the good planning and finance available for implementation.

In Malawi, the abolishing of school fees in 1994 proved less successful as plans to provide on-the-job training to newly hired and unqualified teachers failed to materialise (Fleshman, 2010). The instructional quality declined sharply as the pupil-teacher ratio climbed to 70 to 1 and the lack of facilities meant that many classes met under the trees, and books and teaching materials arrived months late, if at all. The decision to eliminate all fees coincided with the return of multiparty elections that year and the focus was on increasing enrolment and very little attention was paid to quality issues (Fleshman, 2010). Lack of planning and coordination made it impossible to mobilise public, business, World Bank and political support in the short time between the decision to abolish school fees and the beginning of school. Fleshman (2010) further

states that only about twenty percent of boys and girls successfully complete eight years of primary education in Malawi and there was a lack of resources, such as nutrition programmes, to help poor children remain in school. This was a challenge that was experienced by the principals when managing schools with a large number of learners without sufficient buildings and other resources. At the end of the year the parents and the Department of Education expect the learners to progress to the next grade under these circumstances.

In South Africa, the no-fee school policy was introduced in 2006 and followed the National Department of Education's review of school fees in 2003 which raised the issue of parents not being able to pay school fees (Department of Education, 2006). According to Juan (2007), the objective of this policy was to bring financial relief to parents of school-going children who could not afford to pay school fees, thereby being denied access to schools. In terms of this policy the poorer learners are able to access education without paying school fees. In implementing the no-fee schools policy, the Department of Education (DoE) attempts to facilitate the access to education by eliminating the barrier of fees and in this way the policy acts as a poverty alleviation mechanism (Juan, 2007).

On 09 February 2012, President Jacob Zuma presented education as the first priority for the government in the State of the Nation address (Republic of South Africa Government, 2012). Education constitutes more than twenty one percent of Government's total allocated expenditure for the 2012/13 financial year; the consolidated investment in the basic education sector, encompassing the National office and Provincial Education Departments, makes education an important driver of government's transformation agenda and it is R179.834 billion (Motshekga, 2012). She further continued that the overall budget for 2012/13 for the Department of Basic Education has increased from R13.868 billion of 2011/12 to R16.344 billion, therefore it is an increase of R2.475 billion (Motshekga, 2012). This amount allocated to education shows the commitment of the present government in the transformation of the education system.

According to the Minister of Basic Education Department, Motshekga (2012), the link between poverty and education, free schooling and school meals are part of the government's pro-poor policies; the number of learners in no-fee schools exceeds the sixty percent target; this year 2012, 69.3% of learners are in more than 20 000 no-fee schools; the threshold target allocation for no-fee schools for operational expenditure has increased to R880 per learner and the national per

learner target amount for quintile one schools is R960. Total expenditure for no-fee schools at the national target level is projected to be in excess of 7.7 by government's anti-poverty strategy, the National School Nutrition Programme increased by R327.7 million in 2012/13, to R4.907 billion. (Motshekga, 2010)

The lists of no-fee schools are determined by the Provincial Education Department.

However, the Provincial Education Department's capacity consistently questioned in terms of accurate dissemination of information, community to perform these functions, monitoring and administrative inefficiency (Ahmed & Jansen & Amsterdam, 2006). I supported by the principals who were interviewed by Juan (2007) who felt that there should have been involvement in the process of classifying schools into quintiles. Some read from the newspapers that their schools were declared as no-fee schools without written circulars, informing them. From my observation some parents have moved their children from these no-fee schools to ex-model C and independent schools because they believe no quality education in no-fee schools.

Privatisation of schools in South Africa resembles the global pattern in terms of continued existence and growth of private schools and the charging of illegal school fees in public no-fee schools (Motala, 2006). In some no-fee schools, principals have requested parents who afford to contribute some funds to schools to boost their school fees. When critically evaluating the literature, I have identified that it is not discussing the need to workshop parents to accept that these schools are declared as no-fee schools because they are poor in their communities since other parents are moving their children from these schools to fee paying and independent schools.

learner target amount for quintile one schools is R960. Total expenditure for school allocation on no-fee schools at the national target level is projected to be in excess of 7.7 billion and informed by government's anti-poverty strategy, the National School Nutrition Programme Grant has increased by R327.7 million in 2012/13, to R4.907 billion (Motshekga, 2012). This nutrition programme in no-fee schools means that the learners in these schools are also provided with meals, which is a poverty alleviation programme for the government.

The lists of no-fee schools are determined by the Provincial Education Department using income levels, unemployment rates and levels of education of the community (Ahmed & Sayed, 2009). However, the Provincial Education Department's capacity to perform these functions has been consistently questioned in terms of accurate dissemination of information, communication with schools, monitoring and administrative inefficiency (Jansen & Amsterdam, 2006). This has been supported by the principals who were interviewed by Juan (2007) who felt that there was a lack of consultation between the DoE and the school's management and they also believe that schools should have been involved in the process of classifying schools into quintiles. Some principals read from the newspapers that their schools were declared as no-fee schools without getting the written circulars, informing them. From my observation some parents have moved their children from these no-fee schools to ex-model C and independent schools because they believe there is no quality education in no-fee schools.

Privatisation of schools in South Africa resembles the global pattern in terms of continued existence and growth of private schools and the charging of illegal school fees in public no-fee schools (Motala, 2006). In some no-fee schools, principals have requested parents who can afford to contribute some funds to schools to boost their school fees. When critically evaluating the literature, I have identified that it is not discussing the need to workshop parents to accept that these schools are declared as no-fee schools because they are poor in their communities since other parents are moving their children from these schools to fee paying and independent schools.

2.2.3 Ranking of schools into quintiles

School quintiles are found on the resource targeting lists of all schools in each province in South Africa. They are allocated according to the conditions at the school, sorted by the level of poverty prevalent in the community surrounding the school, so as to produce five groups of schools from the poorest (quintile one) to the least poor (quintile five) (South African Schools Act no.84, section 4(100), 1996). KwaZulu-Natal Circular No. 22 of 2012 states that: each school is linked to a specific geographical area or place name closest to the school and this is set as enumerator area; variables from Statistics South Africa. Census data relating to households or individuals have been selected to inform three different indicators of poverty namely income, unemployment and the level of education in the community in order to determine poverty scores of schools and these indicators of poverty have been weighted for the purpose of arriving at a final score for each place name corresponding to each school (Department of Education, 2012).

According to section 35(b) of South African Schools Act (1996) as amended, the norms and standards for school funding must provide for a system in terms of which learners at all public schools can be placed into quintiles, referred to as national quintiles for learners, according to financial means. All public schools in South Africa are placed into five categories (quintiles) according to the wealth of the community, location of the school (urban or rural) and the physical condition (infrastructure) of the school (Juan, 2007). Juan (2007) further states that schools that fall into quintiles one and two are defined as no-fee schools and no fees in the form of admission, administration or extra-curricular costs may be charged to parents.

The school allocation is developed using five considerations: the rights of learners, the minimum basic package to ensure quality education, prices of goods and services, the national distribution of income differences and poverty, and lastly the state budget (Sayed & Motala, 2009). Schools in quintiles one, two, three, four and five received allocations of R807, R740, R605, R404 and R134 respectively in 2009, which normally change each year depending on the national budget (Ahmed & Sayed, 2009).

2.2.4 No-fee schools policy

The United Nations Convention on the Rights of the Child Article 28 (1) (a) (1948) prescribed that the governments should provide education that is free and compulsory at least at the primary school level and the secondary education should be made accessible and available to learners. The South African government complied with the United Nations's Article by introducing the fee exemptions and the no-fee schools policies. The no-fee schools policy was introduced in 2006 following the National Department of Education's review of school fees in 2003 which raised the issue of parents not being able to pay school fees (Department of Education, 2006). These parents were unable to send their children to school because they could not afford the school fees.

According to Sayed and Motala (2009), the 2005 Education Laws Amendment Act No. 24 replaced the provincial quintiles with national ones; while there were many gains in terms of increasing equality, there was a clear recognition both within and outside the state that a two tier education system was operating in South Africa, one catering for the wealthy (which remained largely white) and one catering for the poor (which remained largely black); in response, the 2006 National Norms and Standards declared schools in quintiles one and two to be no-fee schools, compensating these schools with a higher allocation for non-personnel, non-capital expenditure.

The main aim of the no-fee schools policy is to assist those parents who cannot pay school fees for their children. No-fee schools policy was formulated to abolish fees in schools placed in the poorest quintiles (Juan, 2007). The gains of this policy are that many learners attended school without any fee barriers, mostly in poor communities. According to Motala, Ngwenya and Sayed (2010), the gains of the no-fee schools policy are: acknowledgement of disparities and reduction of inequality; poverty quintiles set nationally promoting inter provincial equity; local control and decentralised governance to self managing schools and strengthens pro poor approaches despite utilising only twenty percent of non-personnel expenditure.

The challenge in this policy is that the inequalities in the education system still exist in terms of resources. That means even if the schools in quintiles one and two receive more funds than other schools but they do not have laboratories and libraries and their classrooms are overcrowded because they cannot use their allocations to build any structure. The challenges identified by

Motala, *et al.* (2010) are: pro poor versus continued presence of fees in public schooling system- two tier system which continues to marginally favour the rich; adequacy benchmarks, overall education expenditure and indirect education costs lead to persistent quality differentials between schools and accountability, performance and capacity and measurable indicators are required. Schools that are declared no-fee schools are not precluded from requesting voluntary contributions from local businesses or interested parties for the purpose of funding special projects (Bisschoff & Mestry, 2009). Most of these no-fee schools are in deep rural areas and there are no strong businesses which can have funds to sponsor the schools, this is another challenge that is experienced by the principals when requesting donations.

Furthermore those parents who can sponsor schools are living in urban areas and sending their children to fee-paying schools, as a result they make donations to those schools. All no-fee schools should annually, in accordance with the applicable prescripts of the PFMA and its regulations and any Treasury practice notes are provided with an allowance from their school allocation for the year in order to be able to defray day-to-day operational, non-personnel expenditure. This will include those day-to-day, non-personnel expenditures to support the effectiveness and efficiency of the administrative, management and curricular programs of the school (Government Gazette No. 33971, 2011).

2.2.5 Budgeting of resources

A budget is a plan expressed in quantitative terms, usually money, covering a specific period of time, usually one year. It can be described as a plan for the allocation and expenditure of resources to achieve the objectives of the school (Bisschoff & Mestry, 2009). According to Section 39(2) of the South African Schools Act no. 84 (1996), a governing body of a public school must prepare a budget each year according to prescriptions determined by the Member of the Executive Council in a Provincial Gazette, which shows the estimated income and expenditure for the following financial year. As a result, principals and school management team members often take a lead role in budgeting, fee setting and fundraising, guiding their governing bodies in the fulfillment of this strategic function (Bisschoff & Mestry, 2009).

Most of the schools in South Africa operate on a financial year that starts from January and ends in December and that do not co-incides with the financial year of the government which normally starts in April and ends in March. This poses a challenge because schools follow a budget that ends in December and suppose to be using a new budget in January but that is not happening since they have to wait for the state budget which begins in April. Schools in England and Wales operate an academic year which begins each September and ends the following August, on the other hand the state operates on a twelve-month cycle which begins in April and runs through to the following March (McAleese, 2002). In practice, most schools with delegated budgets continue to plan from one academic year to the next and accept that resources implications for those twelve months of educational activity will run across two different financial years (McAleese, 2002).

The budget must be presented to a general meeting of parents for consideration and approval by a majority of parents present and voting. Thereafter the approved school budget will thus direct the school on how to spend the school allocation (Department of Education, 2012). The challenge when budgeting for the funds allocated by the State is that the allocation is determined by the Department on the amounts for items like LTSM, repairs and maintenance, furniture and equipment and consumable items. The majority of items covered by the school allocation fall into what can be termed running costs (stationery, maintenance and services such as electricity); also covered are learning support materials like textbooks, which is the only item directly related to learning (Sayed & Motala, 2009). This poses a challenge to the school governing body to budget for those items like salaries that are not allocated by the Department since the parents are not prepared to contribute any funds when the school is declared as no-fee.

There are several forms of budgeting for the no-fee school which can be adopted by the school governing body:

2.2.5.1 Incremental budgeting

Historically, the most common technique to prepare a budget for a school is to assume that the previous level of expenditure and income is a reasonable base for estimating the needs and income for the next financial year. This very basic process merely adds increments to the various parts of the last budget to produce the next budget (Bisschoff & Mestry, 2009). The finance

committee of the school will look at the possibility of the increase in the learner enrolment as well as the inflation rate when drawing up the incremental budget. This will assist the finance committee to know whether the increase will be on the variable costs or fixed costs. Variable costs are those cost items that will increase proportionately as learner numbers increase and fixed costs are those cost items that remain the same irrespective of the number on learners (Bisschoff & Mestry, 2009).

2.2.5.2 Line item budgeting

In this budget type, items (cost items) of expenditure are the focus of analysis, authorisation and control. Line item budgeting may differ little from the previous type but is at least more specific than the incremental budgeting, as each line item in the budget receives separate consideration (Bisschoff & Mestry, 2009). For example, instead of increasing the textbooks by five percent the SGB may decide to purchase books for grade ten and no books for grade eleven because their syllabus will change in the following year.

2.2.5.3 Rolling budget

It operates within a system whereby the twelve-month budget of targets and resources is divided into quarterly periods and has emerged from the idea that in day-to-day management there is a relatively short amount of time for decision-making (Bisschoff & Mestry, 2009). In this type of budgeting, principals can change the budget to suit the immediate needs of the school by diverting resources.

2.2.6 School financial management

School financial management is the performance of management actions connected with the financial aspects of schools, with the main aim of achieving effective education, carried out by a person in a position of authority (Bisschoff & Mestry, 2009). The most important reason for financial management in organisations is to ensure that the organisation knows how much money

it needs and how to use that money to achieve its goals in an ethical, responsible and sustainable way (Maritz, 2005). Ngubane (2009) defines the school financial management as keeping records of all the money the organisation has already received or spent, control and manage the money that is still in the organisation and make decisions about the future of the organisation.

The principals are responsible for the day-to-day management of the schools therefore they have to manage school finances as members of the finance committee. According to Khuzwayo (2007), Shaba (2002), Van Deventer and Kruger (2003), the school management team is responsible for the management of the day-to-day administrative and instructional functions of the school and efficient use of the school's human, financial and material resources. Lewis (2003) and Maritz (2005) in Ngubane (2009) define financial management as involving planning, organising, controlling and monitoring the financial resources of an organisation to achieve objectives. Considering the above definitions of financial management, it is clear that the principals of no-fee schools must manage the finances of the schools properly in order to achieve their goals.

2.2.6.1 The South African Schools Act No.84 of 1996

In terms of section 37(1) of SASA (1996), the governing body of a school must establish a school fund and administer it in accordance with directions issued by the Head of Department in the province. The governing body of a public school must open and maintain one banking account, but a governing body of a public school may, with the approval of the Member of the Executive Council, invest surplus money in another account (South African Schools Act no.84, section 37(3), 1996).

Based on the position of the school in the Resource Targeting List, the allocation has been determined by the Department of Education (2010), learning, teaching support materials are sixty percent of the allocation and non-learning, teaching support material is forty percent. The principal is a member of the finance committee which is a sub-committee of the school governing body that must ensure that the funds are used according to the breakdown determined by the Department. For example, according to KZN Circular No. 78 of 2010, textbook allocation-50% (Grade 1-12); stationery allocation-30% and other equipment-30% (Department

of Education, 2010). The functions of the finance committee, according to the Department of Education (2005) are: to determine the school finance policy; to be responsible for the drafting of the school's proposed estimates of income and expenditure for the ensuing year; to propose all expenditure incurred in accordance with the approved budget, such expenditure to be ratified by the governing body; to exercise overall control of the school financial records, and furnish the governing body with a detailed report of non-compliance with the school finance policy. Furthermore, they must submit recommendations to the governing body for proposed expenditure not originally budgeted for and assist with the preparation of the annual financial statements.

According to section 42(a) & (b) of SASA (1996), "the governing body of a public school must: keep records of funds received and spent by the public school and of its assets, liabilities and financial transactions; and as soon as practicable, but not later than three months after the end of the financial year, draw up annual financial statements in accordance with the guidelines determined by the Member of the Executive Council." Furthermore in terms of section 43(1) of SASA (1996), "the governing body of a public school must appoint a person registered as an accountant and auditor in terms of the Public Accountants and Auditors Act no.80 of 1991, to audit the records and financial statements referred to in section 42." The governing body must submit to the Head of Department, within six months after the end of each financial year, a copy of the annual financial statements, audited or examined (SASA, section 43(5), 1996).

The challenges that are experienced by the principals of no-fee schools are that they have to draw up financial statements at the end of the year and at the beginning of the year they have to operate without any funds. The financial year of a public school commences on the first day of January and ends on the last day of December of each year (SASA, section 44, 1996). This financial year period differs with the financial year of the State which starts at the beginning of April and ends at the end of March in the following year. No-fee schools have to comply with SASA like all other public schools and they are also governed by the sections provided in the Public Finance Management Act No. 29 of 1999.

2.2.6.2 The Public Finance Management Act No. 29 of 1999

The financial management function of a no-fee school is the responsibility of the school governing body, while the no-fee school principal is an ex-officio member of the SGB and also the accounting officer of the no-fee school (Ngubane, 2009). This means that the principal is responsible and accountable for all processes at the school.

In terms of the Public Finance Management Act No. 29, section 38(1) (2) (1999), “general responsibilities of the principal as the accounting officer are that he or she must ensure that: the school maintains effective, efficient and transparent systems of financial and risk management and internal control; is responsible for the effective, efficient, economical and transparent use of the resources of the school; is responsible for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities of the school; effective and appropriate disciplinary steps are taken against any official in the school who commits an act which undermines the financial management and internal control system of the school; an accounting officer may not commit a school to any liability for which money has not been appropriated.”

Section 40(1) of the PFMA (1999) states that the accounting officer: must keep full and proper records of the financial affairs of the school in accordance with any prescribed norms and standards; must prepare financial statements for each financial year in accordance with generally recognised accounting practice; must submit within five months of the end of a financial year to the Department of Education, the financial statements for that financial year after those statements have been audited.

2.2.7 Financial management skills of no-fee school principals

The no-fee schools are regarded as poor schools and they receive larger allocations, which becomes a problem for the principals to manage these funds because they are not empowered with financial management skills. According to Bisschoff and Mestry (2009), principals recognise that they need to engage in financial management, many of them lack the confidence and skills to do so effectively and the research conducted in Gauteng shows that principals

consistently identify budgeting and financial management as the areas where they have the greatest development needs. Some members of school governing bodies and principals either have little knowledge of the Schools Act or simply interpret it incorrectly, which results in many schools experiencing financial mismanagement (Mestry, 2006).

This poses major challenges and implications regarding financial accountability in these schools in terms of managing large amounts of finances, especially if cognisance is taken of the fact that the majority of principals in these schools are relatively inexperienced (Ngubane, 2009). This is corroborated by Juan (2007) who states that principals lack financial management skills to budget and to use available funds efficiently. In addition, in my general conversation with the no-fee school principals, they normally raise the challenge of financial management training that it is facilitated by other principals who are not experts in finance.

The importance of financial management skills were highlighted by the ward manager, who stated that the money that the schools receive must be budgeted in such a way that the school has enough money left at the end of the school year to be able to reopen the school the following year. This will ensure that the schools are able to pay for things such as electricity bills. Some principals attend workshops on budgeting, but not all principals. Each circuit can only send a few principals to these workshops as representatives of the region (Juan, 2007).

According to Verbeek (2007), who undertook a study on assessment of school fees found that both school managers of primary and secondary schools indicated a lack of relevant financial skills and formal training. These are some of the challenges which are experienced by the principals when managing no-fee schools and they are known. The solutions which the principals will offer in this study are unknown. However, many principals and SGB members are placed under tremendous pressure to manage their schools' finances because they are unable to work out practical solutions to financial problems, on account of their lack of financial knowledge, skills and expertise (Mestry, 2006).

This has led to some principals being charged with mismanagement of funds in such a way that some are discharged from their duties. In many instances it has been reported that principals and school governing bodies have been subjected to forensic audits by the Department of Education due to the mismanagement of funds through misappropriation, fraud, pilfering of cash, theft and

improper control of financial records (Mestry, 2006). Most of the financial decisions are taken at the level of the governing body and the finance committee but the principal as the accounting officer is the one who can be charged for misappropriation of funds.

According to the research conducted Mestry (2006) on the functions of the principal and the SGB in school finances, the parents claimed that: the principal sees to the day-to-day running of the school and is therefore responsible for all the monies received and banked; the principal as chief accounting officer is paid to see that everything in the school is in order and the parents are not remunerated to take the responsibility for the school funds. This is a challenge to the principals because the parents are the members of the finance committee that is responsible for the school finances and they can be influential in the decision making, however they claim that they are not responsible for school funds.

Mestry (2006) further argues that the participants in his study agreed that one of the reasons for the mismanagement of funds and for confrontation between SGBs and principals is the absence of an effective school financial policy or the ineffective implementation of the financial policy where it exists. This confirms the lack of financial management skills from the principals as they are unable to guide the SGB in formulating and developing of the finance policy. One parent member of the SGB claimed that they were not involved in drafting the financial policy and the principal got a copy from another school and they all appended their signatures to the document (Mestry, 2006).

2.2.7.1 Guidelines for managing school funds effectively

2.2.7.1.1 Developing the financial policy

No-fee school principals together with SGBs must draft a good financial policy in order to set a direction and implement it accordingly. An organisation must decide what rules and procedures are to be followed to ensure that its money is spent properly and safely (Maritz, 2005). Blandford (1997) states that the formulation of rules and regulations for handling the money and assets of the school in the financial policy is necessary.

According to Ngubane (2009), an overall financial policy contains policy items that relate to a number of areas, for example: donor or income policy (such as receipts and deposits); budgeting policies; policies for financial management; expenditure policies (such as amounts, payments, requisitions, non-budgeted expenditure); travel policies (such as car hire, class of airfare, hotel per day); auditing policies; assets policies (such as purchasing, utilisation, maintenance and disposal of assets); petty cash policy; salary policy; staff loans and opening and operating a bank account. The finance committee has to meet and draft the school financial policy then present it to the school governing body for approval. This policy will then direct the SGB and the finance committee on receiving funds and how to spend these funds in terms of budgeting and the usage of quotations for procurement.

2.2.7.1.2 Financial management training guidelines

According to Mestry (2006), the following guidelines can assist the no-fee school principals towards good financial management: the policy should clearly state the procedures for handling school fees, donations, post-dated cheques, authorisation for cheque payments, signatories to the bank account, bank overdrafts, trust accounts, documentation, recording transactions, and every aspect related to the school's finances; training in financial management is fundamental in preparing and equipping school managers with financial skills and where provincial departments are unable to provide the training to every member because of cost implications, schools should take the initiative of forming partnerships with tertiary institutions or other service providers that offer training in financial management. These guidelines can offer some solutions to the challenges experienced by the no-fee school principals when managing no-fee schools.

2.3 Theoretical frameworks

This study is underpinned by two theories: the formal theory and the structural theory.

2.3.1 Formal theory assumptions on no-fee schools management

The formal theory presents the authority of leaders as essentially a product of their official positions within the organisation and principals possess authority over the staff because of their formal roles within schools (Bush, 2003). This theory assumes that the principal as an ex-officio

member of the SGB holds the official position to give guidance and direction to the governing body on school finance management. Caldwell (1992) argues that in a formal theory, managers of schools must be able to develop and implement a cyclical process involving seven managerial functions: goal-setting; needs identification; priority-setting; planning; budgeting; implementing and evaluating. In this theory the assumption is that principals are the ones responsible for planning the activities of the no-fee schools also identify and prioritise the needs of the school.

Formal theory characterises schools as goal oriented, there is an assumption that institutions pursue specific objectives and all the members of the organisation are thought to be working towards the achievement of these official aims (Bush, 2003). Everard and Morris (1990) stress the significance of goals, that all the organisations, including schools, should be actively managed against goals, in other words, not only should there be a clear sense of direction in which the organisation is being steered, but also markers whereby they can assess progress. The principals should lead the finance committee in developing the financial policy and drawing up the budget, setting up targets that must be achieved by the no-fee school.

In addition, they are expected to budget the school finances, ensure that the budget is implemented correctly by monitoring the implementation process. This is supported by Becker (1964) who states that an organisation confers more authority upon some members than upon others because the former have devoted more energy to the organisation's goals, invested more in developing valuable skills, revealed unusual talents, or have shown a flair for leading rather than following. This theory allows principals to play a leadership role as they are vested with authority in no-fee schools, in achieving their goals.

According to Bush (2003), formal theory assumes that managerial decisions are made through a rational process, typically all the options are considered and evaluated in terms of the goals of the organisation and the most suitable alternative is then selected to enable those objectives to be pursued. Using this theory will influence the thinking of the principals in terms of their position and managerial functions in no-fee schools.

2.3.2 Structural theory assumptions on the management of no-fee schools

Becher and Kogan (1992) propose a structural theory which has the central level, including the various national and local authorities who are between them charged with overall planning, resource allocation and the monitoring of standards. According to Bush (2003), structural theory assumes that the school is a structure which imbues parents, teachers and pupils with a sense of belonging and it influences the behaviour of the individuals holding particular roles in the organisation. On the basis of the structural theory, all the stakeholders in the school are represented in the school governing body structure and feel the ownership of the school.

This theory assumes that the principal together with the SGB structure, are tasked with the duty of planning for the school, allocating the resources like educators to their duties, allocating financial resources during the budget in order to achieve the school goals. Complex organisations invariably have an internal structure differentiated with respect to compensation and authority (Gould, 2002). The no-fee schools have a structure called school governing body, in which the principal is an ex-officio member and all other stakeholders at school are represented in this structure.

There is also a finance committee which is a sub-committee to the SGB, responsible for the financial issues of the school; the principal is also a member. The principal must be a member of a finance committee or delegation of the governing body in order to manage any matter that has financial implications for the school (South African Schools Act No. 84, section 16A(2)(j), 1996). Therefore this theory assumes that all the stakeholders at the no-fee school communicate to each other through this structure. Structural theory refers to the formal pattern of relationships between people in organisations and expresses the ways in which individuals relate to each other in order to achieve organizational objectives (Bush, 1997).

Bolman and Deal (1991) argue that the structural theory is based on these core assumptions that: co-ordination and control are essential to effectiveness; organisational problems typically originate from inappropriate structures or inadequate systems and can be resolved through restructuring or developing new systems; organisations exist primarily to accomplish established goals; for any organisation, a structural form can be designed and implemented to fit

its particular set of circumstances and organisations work most effectively when environmental turbulence and the personal preferences are constrained by norms of rationality

Bush (2011) makes it clear that structures remain powerful influences on the nature and direction of development within institutions, as systems grow larger and more complex, their internal structures acquire greater momentum, thrusting themselves powerfully into the future and snapping back with considerable resilience. This theory assumes that the principal and the finance committee have a powerful influence on the financial management of the no-fee school. It presents this assumption on the basis that they are well trained and able to work together as a structure that is responsible for guiding and directing the activities of the no-fee school, to achieve its goals and objectives. This theory will support the principals in solving the challenges they experience when managing no-fee schools in terms of systems and structures.

2.4 Chapter summary

This chapter has provided a detailed review of literature on no-fee schools internationally, continentally and nationally in terms of implementation, budgeting, ranking of schools into quintiles and school financial management and skills. It has also presented the assumptions on theoretical framework that underpin the study. This knowledge will help in identifying the challenges experienced by the principals in managing no-fee schools. In the next chapter, the research design and methodology are discussed.

real people in real situations, enabling readers to understand ideas more clearly than simply by presenting them with abstract theories or principles (Cohen, Manion & Morrison, 2011). One of the strengths of a case study is that it observes effects in real contexts, recognizing that context is a powerful determinant of both causes and effects and that in-depth understanding is required to do justice to the case (Cohen, *et al.*, 2011). The advantages of a case study are that: it is strong in reality, recognizes the complexity and embeddedness of social truths and is a step to action (Adelman, *et al.*, 1980). According to Yin (2012), the disadvantages of a case study are that: the results may not be generalized, it is not easily open to cross-checking, and hence it may be selective, biased, personal and subjective. This was a case study of two no-fee schools in Umthwalume.

3.5 Sampling

A sample is a smaller group of the total population which is needed to obtain data in such a way that the knowledge gained is representative of the total population (Cohen, *et al.*, 2011). A population is a group of elements or cases, whether individuals, objects or events, that conform to specific criteria and to which we intend to generalise the results of the research (McMillan & Schumacher, 2006). A sample of two no-fee schools in Umthwalume have been selected and their principals, SGB treasurers and chairpersons as participants. I have decided to utilise these participants because they are the members of the finance committee which is a sub-committee of the SGB. For the purpose of this study, purposive sampling is used. Maree (2007) describes purposive sampling as the manner in which the participants are selected because of some defining characteristics that make them holders of data needed for the study and it involves smaller sample sizes.

3.6 Data generation methods

Two methods of generating data have been used in this study, namely, semi-structured interviews and documents review which are discussed below.

3.6.1 Semi-structured interviews

In order to examine the challenges experienced by the principals, treasurers and SGB chairpersons in managing no-fee schools and answer question one and two, I have used the semi-structured interviews which were voice recorded, as means of data collection. An interview is an interchange of views between two or more people on a topic of mutual interest, sees the centrality of human interaction for knowledge production and emphasizes the social situatedness of research data (Kvale, 1996). According to Cohen, *et al.* (2011), the interview is a constructed and usually a specifically planned event rather than naturally occurring situation and this renders it different from an everyday conversation. A semi-structured interview lies somewhere between the structured and unstructured interviews because of its degree of imposed structure and open-ended questions (Smith, 1995).

According to Smith (1995), semi-structured interviews differ from the structured interviews in that: the interview is guided by the interview guide rather than being dictated by it, the ordering of questions is less important and the interviewer is freer to probe interesting areas that arise and can follow the respondent's interests or concerns. Smith (1995) further states that semi-structured interviews are used to gain a detailed picture of the participant's beliefs about, or perceptions of a particular topic with as little prompting from the interviewer as possible. This method will be used to gain the experiences of principals in managing no-fee schools besides the researcher controlling the interview. The disadvantage of semi-structured interviews is that the researcher may ask dichotomous-response questions which can be leading and imply a preferred response and a deliberate assumption designed to provoke a complex or elaborate response (McMillan & Schumacher, 2006). In order to mitigate this disadvantage I will further review the financial documents to ensure triangulation.

3.6.2 Document reviews

Documents review is a non-interactive strategy for obtaining qualitative data with little or no reciprocity between the researcher and the participant (McMillan & Schumacher, 2006). The final means of obtaining data was through documents review whereby the financial documents of the two no-fee schools have been reviewed. The purpose of document review was to understand

how the no-fee schools operate at the beginning of the year without any income until they receive their allocations. The audited financial statements, departmental circulars on allocation of funds and budgets will be reviewed.

3.7 Data analysis

In this study, qualitative data generated through the semi-structured interviews and documents review have been analysed. “Qualitative data analysis involves organising, accounting for and explaining the data; in short, making sense of data in terms of the participants’ definitions of the situation, noting patterns, themes, categories and regularities” (Cohen, *et al.*, 2011). The data collected from six participants have been transcribed from the voice recorder and were validated by the participants. What one chooses to transcribe, how the transcription is actually done and what is included or left out all depend on the investigator’s purposes, resources and assumptions (Kvale, 1996). According to Cohen, *et al.* (2011), “there are three components of data analysis which are data reduction, data display and drawing and verifying conclusions.”

In this study I have analysed the data using the model suggested by De Vos (2011) who integrates Creswell’s (2007) analytical spiral model and Marshall and Rossman’s (1999) models. The model includes: Preparing and organising the data (planning for recording of data, data collection and preliminary analyses, managing the data, reading and writing memos), reducing the data (generating categories and coding the data, testing the emergent understandings and searching for alternative explanations and interpreting and developing typologies) and visualising, representing and displaying the data (presenting the data).

In managing data at an early stage of the analysis process, it was organised into computer files, convert these files to appropriate text units, for example a word, a sentence, an entire story, for analysis either manually or by computer (De Vos, Schurink & Fouche, 2011). “Data reduction happens in the early stages through editing, segmenting and summarising the data, in the middle stages, through coding and memoing, finding themes, clusters and patterns and in the later stages it happens through conceptualising and explaining abstract concepts” (Cohen, *et al.*, 2011). In order to reduce data I have divided the data according to categories and also use codes. Coding is the process of putting tags, names or labels against pieces of the data (Punch, 2009). Cohen, *et*

3.9 Ethical considerations

According to Kvale (1996), there are three main areas of ethical issues which are informed consent, confidentiality and the consequences of the interviews. The participants have been guaranteed that there was confidentiality, anonymity, non-identifiability, non-traceability, care was taken to prevent any harmful effects to the participants and the study was intended to benefit the participants (Cohen, *et. al.*, 2011). The names of the participants and their schools were not used in the study to ensure anonymity and non-traceability. I have also made the participants to sign the informed consent forms after I have explained to them what the study was all about.

All ethical issues have been observed. I have applied for the ethical clearance from the University of KwaZulu-Natal first. Then I wrote a letter to the Provincial Department of Basic Education requesting them to allow me to conduct the research in two no-fee schools. Furthermore I have also wrote a letter to the participants informing them about the research and its purpose and requested them to participate in it. In line with the principles of research, all participants who agreed to be part of the study have been allowed to withdraw anytime if they felt that they did not want to participate anymore, since their participation was voluntary.

3.10 Limitations of the study

The principals of schools, who were the participants, were always busy which limited the time they had to assist in conducting the study. Furthermore, SGB chairpersons and treasurers were not always available at schools; therefore I had to interview them in their homes or at their work because they were working. The majority of black African parents in schools ascribe reluctance to participate in SGBs and school activities to a lack of education or involvement in school governance and activities, the language barrier because of the exclusive use of English as a communication medium (Mncube, 2009). It must be remembered that the second term encompasses formal assessments while the end of the third term occupies school managers with District Officers concerning the promotional schedules of all the learners at school (Verbeek, 2006). In order to mitigate these limitations, I have requested all the participants to give me the dates in which they were not busy in their schools. Also, allowed those participants who were

available after school and during weekends as well as the usage of their home language during interviews.

3.11 Chapter summary

This chapter has provided a discussion on the research design, methodology as well as the techniques on data generation. It also dealt with the selection of the case, sampling, and data analysis. Lastly the ethical considerations, trustworthiness and limitations of the study were discussed.

CHAPTER FOUR

DATA PRESENTATION AND DISCUSSION

4.1 Introduction

In the previous chapter, the research design and methodology used in this study were outlined and discussed. This chapter presents and discusses data that was generated during the visits to the case study sites for semi-structured interviews and documents review purposes. The data was generated from the principals, SGB chairpersons and SGB treasurers as participants. Firstly, the sites and participants profiles are presented. Then I present and discuss the findings on the participants' understanding of the no-fee schools policy, the challenges experienced by the participants in managing no-fee schools and the school finance management skills of the participants. Finally, the findings on the solutions to the challenges offered by the participants are presented and discussed as well as the chapter summary.

4.2 The profiles of research sites and participants

Below is a presentation of the biographical information generated from the participants during the interviews and when the researcher visited the sites to review the documents. This information is important to inform the reader about the sites and the participants in terms of their status and experience in the SGB.

School A -: Mandla High		Experience in SGB	School B-: Siza High		Experience in SGB
Principal- :	Mr Sililo	13 years	Principal- :	Mr Nene	9 years
SGB chairperson-:	Mr Xaba	2 years	SGB chairperson-:	Mr Mlaba	17 years
SGB treasurer-:	Mr Ndlovu	12 years	SGB treasurer-:	Mrs Zulu	2 years
Date when school was declared no-fee		2007	Date when school was declared no-fee		2008
Quintile		1	Quintile		2

Table 1: Biographical information

Table 1 shows that the principal and SGB treasurer of Mandla high school have long experience in the SGB and the chairperson has only two years experience. Whereas in Siza high school the SGB chairperson has long experience even more than the principal who has an experience of nine years and the treasurer is still inexperienced.

4.2.1 Mandla High School

Mandla High School is one of the biggest high schools in Umthwalume. This school has learners from deep rural areas and other remote areas as it has a boarding facility for girls. The school is believed to be one of the best high schools in Umthwalume as it always achieve above ninety percent in grade twelve (2011- 93%) and parents prefer to send their children to it. There are 1185 learners enrolled this year (2012). The total number of educators is forty three, with one principal, two deputy principals, five heads of department and thirty five post level one educators. The school also has two clerks, four general workers and four security guards all paid by the state. This school has eleven blocks with the one which is a double story. There are thirty four classrooms, two computer rooms, one library room (size of a classroom) and one laboratory.

The school has two kitchens, the first one is used for catering the boarding learners and the second one is used for the nutrition program but they use one dining hall. There are eight houses which are used by the staff as cottages, starting from the principal, other management members, teachers and general workers. This school has one big administration block, with two staff rooms, two administration offices, seven offices for the school management team and the toilets. Furthermore the school has two blocks which are used by female learners for boarding. The school is also used by the community for church services, political meetings, elections and often used to host other schools during matric intervention programmes. Therefore these are the resources of a no-fee school that the finance committee and the principal have to maintain.

4.2.2 Siza High School

This is a small high school which was established twenty years ago, with only 182 learners from surrounding areas of Umthwalume. The learners come from deep rural part of Umthwalume

which is plagued by poverty, unemployment and low level of education in the community and the school is in quintile two. The school has seven educators, including the principal, two heads of departments and four post level one educators. There is one security guard paid by the state and one administration clerk. This school has two blocks with five classrooms, one staff room, one administration office and a classroom converted into principal's office and two heads of department's offices.

4.3 Discussion of the findings and emerging themes from the data

The aim of this research was to explore the challenges experienced by the principals and the finance committees in managing no-fee schools as well as to discuss the solutions to the challenges offered by the participants. The data generated is presented and discussed under the themes that emerged when doing data analysis. Under each theme, there are a number of sub-themes which show different angles of tackling the theme as it emerged from the data.

4.3.1 Participants' understanding of the no-fee schools policy

4.3.1.1 Free education for the poor

The general understanding of the no-fee schools policy by the participants is that it was formulated to provide free education to the poor and unemployed communities. The principal of Mandla High School gave his full understanding by saying that:

I understand that the no-fee schools policy is about providing free education and the main aim is to address the issue of poor community who cannot afford to pay school fees (Mr Sililo).

The principal of Siza High School had this to say:

My understanding of the no-fee schools policy is that the department thought that the no-fee schools should not collect fees from the parents due to the fact that their parents are poor, they must be exoriated from paying school fees (Mr Nene).

It is also found from data analysis that the SGB chairpersons have the same understanding of no-fee schools policy as principals do, although they do not express themselves in detail like principals. The chairperson of Mandla High School indicated that:

It is the policy that focuses on the poor communities that they are allowed to send their children to school without paying school fees (Mr Xaba).

SGB treasurers' responses to the question about their understanding of the no-fee schools policy were similar to the principals' and SGB chairpersons' responses, however the challenge is that even the parents who can afford to pay school fees are taking their children to these no-fee schools. According to Juan (2007), the objective of this policy is to bring financial relief to parents of school-going children who cannot afford to pay school fees, thereby being denied access to schools. The changes in the funding policy and the creation of a national quintile system have been welcomed; it has meant greater school allocations for poorer learners and has strengthened the pro-poor aspects of education policy (Sayed & Motala, 2009). According to the Minister of Basic Education Department, Motshekga (2012), the link between poverty and education, free schooling and school meals are part of the government's pro-poor policies.

This is supported by Becher and Kogan (1992), who proposed a structural theory which has the central level, including the various national and local authorities who are between them charged with overall planning, resource allocation and the monitoring of standards. In terms of this theory the national and provincial education departments are responsible for planning and allocating the resources to schools using the school quintiles and the no-fee schools policy which is about providing free education to the poor communities. When I reviewed the documents of Mandla and Siza High Schools, I discovered that they were declared no-fee schools after the Department of Education was informed by three different indicators of poverty namely income, unemployment and the level of education in the community (Department of Education, 2012). Therefore the level of poverty in the community determines whether the school must be declared a no-fee school.

4.3.1.2 Allocation of no-fee schools according to quintiles

The common understanding of the participants is that all those schools that fall under quintile one, two and some schools in quintile three are declared no-fee schools since they are regarded as poor schools. The SGB treasurer of Mandla High School stated that:

My understanding of the no-fee schools policy is that, it is the policy of the Department of Education which allows schools in low quintiles to admit children without charging any school fees from the parents and my school is in quintile one (Mr Ndlovu).

The principal of Siza High School had this to say:

The understanding of the no-fee schools policy is the policy that is directed on the schools that are falling under quintile one, two and three. These schools are located in deep rural areas and in townships where there is high rate of unemployment and poverty, so the Department of Education decided that these schools should not collect fees from the parents (Mr Nene).

The SGB chairperson of Mandla High School also indicated that:

We were told that no-fee schools policy is based in quintile one schools and the Department of Basic Education funds these schools (Mr Xaba).

According to Sayed and Motala (2009), schools in poorer quintiles (quintile one and two) are no-fee schools and so receive larger allocations, while those in better-off quintiles (fee paying schools) receive smaller state allocations. Juan (2007) further states that schools that fall into quintiles one and two are defined as no-fee schools and no fees in the form of admission, administration or extra-curricular costs may be charged to parents.

This study is underpinned by the formal theory which allows the finance committee to plan for the procurement of every material in no-fee schools, for example the finance committee sits and chooses the most reasonable quotation from three or more quotations. This is executed in order to achieve the goals of the no-fee school to purchase the required material. According to Bush (2003), formal theory assumes that managerial decisions are made through a rational process, typically all the options are considered and evaluated in terms of the goals of the organisation and the most suitable alternative is then selected to enable those objectives to be pursued. When I reviewed the documents for both schools, Circular no: 22 of 2012, I found that they are allocated an amount of R874.39 per learner even though Mandla High is in quintile one and Siza High in quintile two (Department of Education, 2012).

One of the challenges is that the money you get from the department is not like the money you get from the parents which is decided by the SGB and the finance committee on how to spend it whereas the DoE directs us on how to spend the school allocation (Mr Sililo).

The SGB chairperson of Siza High School indicated that:

The main challenge with the school allocation of the no-fee schools is that the DoE stipulates on how to spend the funds and as an SGB we cannot do the school activities like we did when the school was still collecting fees from the parents. In our school we had to suspend sports because there were no funds, we tried to fundraise from our neighboring farmers but that was not enough. We also requested the parents to make voluntary contributions but they said they are not supposed to pay because we are a no-fee school (Mr Mlaba).

Similarly, the SGB treasurer of Mandla High School stated that:

Yes, there was a challenge of overcrowding in our school after it was declared a no-fee school and we could not build new buildings as we are not allowed to build new classrooms. We only acquired more furniture to cater for the increasing number of learners (Mr Ndlovu).

It is noted that according to the documents of Siza High School, the Department of Education has directed them on how to spend their final allocation for year 2013. Based on the position of your school in the Resource Targeting list, the following allocation has been determined by the Department, for the period 1 April to 31 March 2013 (Department of Education, 2012).

The final school allocation of Siza High School for the year 2013

Quintile: 1			Enrolment: 182			Fee status: No-Fee		
School Allocation					R159 139-98			
LTSM (a)	60% of School Allocation				R95 483-38			
Non LTSM (b)	40% of School Allocation				R63 655-59			
Repairs and Maintenance	12.5% of (b)				R7 956-94			
Furniture & Equipment	50% of (b)				R31 827-79			
Consumable Items	12.5% of (b)				R7 956-94			
Domestic and Security	25% of (b)				R15 913-89			

The above table shows that the DoE directs schools on how to spend their allocations which is a challenge to the no-fee schools since they have other costs that are not included in that table. The majority of items covered by the school allocation fall into what can be termed running costs (stationery, maintenance and services such as electricity); also covered are learning support materials like textbooks, which is the only item directly related to learning (Sayed & Motala, 2009). Clarke (1983) makes it clear that structures remain powerful influences on the nature and direction of development within institutions, as systems grow larger and more complex, their internal structures acquire greater momentum, thrusting themselves powerfully into the future and snapping back with considerable resilience.

The structural theory assumes that the principal and the finance committee have a powerful influence on the financial management of the no-fee school. There were costs that the no-fee schools paid using school fees before they were declared as no-fee, such as salaries, sports and cultural activities but now they cannot pay these costs as the funds provided by the State, are very clear on what and how to utilise them. Other schools were compelled to terminate their personnel such as security guards and SGB paid educators because after they were declared no-fee, they could not use their allocations to pay them. This is a challenge when managing the no-fee schools because the DoE only provides one security guard per school and educators according to the number of learners in the school.

4.3.2.3 Late deposits of the funds by the Department of Education

The general concern of the participants is that the DoE usually transfers the funds very late and they struggle to operate in schools since the beginning of the year until they receive their allocations in May or June. The principal of Siza High School had this to say:

So now we are unable to supplement the funding from the department especially at the beginning of the year when we open the school you need to clean the school yard, pay for electricity, water, workshops for educators and pay for the school security. Funds come in two folds, the first one is supposed to come in April but we get late by early June or late June then the one come either in September or October but that one is strictly for LTSM and the other one is used for different things. By the time the money comes, the school has been struggling as from January to May (Mr Nene).

The principal of Mandla High School is faced by similar challenge, he stated that:

As a school you get two allocations, first one is called basic allocation, the second one is LTSM allocation, we are supposed to be getting first allocation around April but recently in 2010 we got it in 15 May, 2011 we got in 15 June and in 2012 we got it in 30 May. The second allocation is supposed to be transferred in September but sometimes it get delayed up to October and we are told this year we will get it on the 15 of September (Mr Sililo).

When I reviewed the documents of Mandla High School, the bank statements showed that the school had an opening balance of R312-16 in January 2012 when the schools re-open. The first allocation from the DoE was only deposited in the school bank account on 15 June 2012 which means that the school only had that small balance to function until 15 June 2012. The financial year of a public school commences on the first day of January and ends on the last day of December of each year (SASA, section 44, 1996). Therefore this means that the school must budget their funds according to this period which is a challenge for the no-fee schools to operate at the beginning of the year since they do not receive any funds until June. Complex organisations invariably have an internal structure differentiated with respect to compensation and authority (Gould, 2002).

The structural theory assumes that the principal with the SGB structure, are tasked with the duty of planning for the school, allocating financial resources during the budget in such a way that the school is having sufficient funds until they get their next allocation. In terms of South African Schools Act (1996), section 30 (1) (a), a governing body may establish committees such as Finance Committee which shall advise the governing body on the need for fundraising activities and ways and means of supplementing the school funds. Section 36 (1) of SASA (1996) further states that a governing body of a public school must take all reasonable measures within its means to supplement the resources supplied by the State in order to improve the quality of education provided by the school to all learners at the school. These sections allow the no-fee schools to organise any fundraising activities such as donations, concerts, funny day and cake sales which can assist them whilst they are waiting for their allocations from the DoE.

4.3.2.4 No-fee schools policy takes away the culture of paying from parents

The principal of Siza High School stated that:

To be honest, parents are not cooperating at all when asked to contribute fees to school, once they were told that they were no longer allowed to pay school fees they expect everything from the school (Mr Nene).

The principal of Mandla High School indicated that:

While this policy is good at face value but it really causes a lot of challenges and it makes me realise that it takes away the culture of paying from parents. You even struggle to organise the trip to Durban because parents were told that they are no longer paying school fees, and then they tell themselves that anything that is school related should not be paid for. For example there are situations where an educator requires an additional study guide for grade twelve Mathematics that will assist learners but the parents are not willing to pay anymore (Mr Sililo).

The SGB treasurer of Mandla High School agreed with other participants that it was a challenge to ask parents and learners to pay and he had this to say:

The main challenge is that learners have got this mind set that since they do not pay school fees, everything at school is for free. If you organise the school trips, you find that learners are very reluctant to pay and if you organize the fundraising, they are not willing to pay because they got this thing that the school is a no-fee school (Mr Ndlovu).

According to Juan (2007), asking parents to pay “voluntary contributions” and to pay for school trips negates the objective of the no-fee schools policy which is to provide free education for poor learners but the parents pay the voluntary contribution to ensure that the school is able to function. When I reviewed their documents, I found that their in budget for the year 2012, they had an expected income from the DoE for LTSM and non-LTSM and for rent. A governing body of a public school must prepare a budget each year according to prescriptions determined by the Member of the Executive Council in a Provincial Gazette, which shows the estimated income and expenditure of the school for the following year (South African Schools Act section 38(1), 1996). There was no expected income from the voluntary contributions from the parents.

According to South African Schools Act section 37(2) (1996), all money received by a public school including school fees and voluntary contributions must be paid into the school fund. This was evidence that the parents are not paying any school fees but only those who have their children boarding who pay the boarding fees and they are charging R2150-00 per learner, per term. According to Bush (2003), structural theory assumes that the school is a structure which imbues parents, teachers and pupils with a sense of belonging and it influences the behaviour of the individuals holding particular roles in the organisation. On the basis of the structural theory, all the stakeholders in the school are represented in the school governing body structure and they must feel the ownership of the school in order to achieve the school goals.

4.3.2.5 How the no-fee schools deal with the challenges

It is critical that the participants have opted for borrowing funds and sometimes use their funds to run the no-fee school from the beginning of the year whilst they are still waiting for the school allocations. They have also tried to obtain donations but they are not enough to keep the school running until they get funds from the DoE.

The principal of Siza High School, in highlighting how they deal with the challenges, had this to say:

We try to bring the parents on board, we try to make them aware of the challenges that we are experiencing in the school and we do fundraisings even though it is not enough, fortunately we are surrounded by the sugarcane farms, they help us a lot. In terms of the photocopying machine and computers we use to have an agreement with the people who are doing repairs that they repair the machine and put toner by the time we get our allocation, we pay them. By the time the allocation comes we find that now about fifty percent of it have to pay debts (Mr Nene).

The SGB chairperson of Mandla High School indicated that:

We try to cut the expenses and if we are cutting them it's a problem to the principal of the school because he is just attending the learner needs, so if there are no funds, the principal turn to the school governing body. Sometimes the funds are very minimal or not even there, then that is the problem of the SGB because is close to the learners and parents not the DoE (Mr Xaba).

The principal of Mandla High School had this to say when asked that how do they deal with financial challenges before they receive their allocations:

That is a difficult one, you struggle around and get notices from Eskom/ Telkom because procedurally we are not suppose to take money for other things whereas we have to keep the school going from January to June or whenever we get our allocations. With my situation I am coping because other principals have to take money from their pockets, the reason I am copying is that we have two bank accounts, sometimes as a school we have to borrow from the boarding accounts to keep the school running until we get the first allocation. Thereafter we pay back these funds we borrowed from the boarding (Mr Sililo).

The importance of financial management skills were highlighted by the ward manager, who stated that the money that the schools receive must be budgeted in such a way that the school has enough money left at the end of the school year to be able to reopen the school the following

year (Juan, 2007). This will ensure that the schools are able to pay for things such as electricity bills, telephone and photocopying machines (Juan, 2007). The documents reflected what was said by Mr Sililo because in their boarding bank accounts they had a balance of R161 778-99 because some parents pay during holidays for the boarding fee. At the end of January they had a balance of R611 671-37, from which Mr Sililo and the finance committee borrow some funds to keep the school running. The big question here is that if these parents are able to pay such an amount, why do they say they do not have money to pay the school fees yet they are able to pay R8600-00 per annum for boarding fees? This negates the purpose of the no-fee schools policy which is to provide free education for the poor, because of those parents who can afford, but they take their children to these schools.

4.3.3 The school financial management skills of the participants

4.3.3.1 The need for more formalised finance management training

The participants generally stated that they need more formalised finance management training as the one that is provided by the DoE in one day is not sufficient to provide them with adequate skills to manage school finance. They also claim that it is normally conducted by the district officials and principals who are not experts in the field of finance management. In responding to the question, the principal of Mandla High School had this to say:

We do have manuals that are provided by the Department of Education that as a principal you have to attend the workshops and when new school governing bodies are elected we do get some sort of one day training. But I think we need more formalised training than the ones we are getting now because its huge responsibility to be a principal even your career is at stake if the finance committee do some mistakes. This training must be compulsory for principals that they must attend a finance course through an accredited institution that will be quite certain that you are able to manage school finances (Mr Sililo).

The SGB treasurer of Mandla High School had this to say:

The workshops are being conducted for the newly appointed SGB on financial issues and relevant documents regarding how to manage the school finances are being supplied by the DoE but the challenge we have as parents, there are financial processes that become quite more difficult for us. We end up relying on outside people to assist us (Mr Ndlovu).

The SGB chairperson of Siza High School stated that:

I can request that the training for school finance management must take at least two weeks because schools are not functioning properly because the finance committee cannot manage school funds. Secondly I can suggest that the District can have a person responsible for checking every school that the school governing body is well trained on managing the school funds (Mr Mlaba).

This poses major challenges and implications regarding financial accountability in these schools in terms of managing large amounts of finances, especially if cognisance is taken of the fact that the majority of principals and SGB members in these schools are relatively inexperienced (Ngubane, 2009). This is corroborated by Juan (2007) who states that principals lack financial management skills to budget and to use available funds efficiently. This is one of the challenges raised by the participants that the training they are attending is not sufficient for them to acquire adequate financial management skills.

According to Verbeek (2007), who undertook a study on assessment of school fees found that both school managers and SGB members of primary and secondary schools indicated a lack of relevant financial skills and formal training. This is supported by Bolman and Deal (1991) who state that the structural theory is based on these core assumptions that: co-ordination and control are essential to effectiveness; organisational problems typically originate from inappropriate structures or inadequate systems and can be resolved through restructuring or developing new systems. In terms of this theory, if the financial management training is inadequate, it must be restructured to resolve the problems of the participants.

According to Mestry (2006), the following guidelines can assist the no-fee school principals towards good financial management: the policy should clearly state the procedures for handling school fees, donations, post-dated cheques, authorisation for cheque payments, signatories to the

bank account, bank overdrafts, trust accounts, documentation, recording transactions, and every aspect related to the school's finances; training in financial management is fundamental in preparing and equipping school managers with financial skills and where provincial departments are unable to provide the training to every member because of cost implications, schools should take the initiative of forming partnerships with tertiary institutions or other service providers that offer training in financial management. These guidelines can offer some solutions to the challenges experienced by the no-fee school principals when managing no-fee schools. Therefore this is a challenge that the principals and the finance committees experience in managing no-fee schools. However, many principals and SBG members are placed under tremendous pressure to manage their schools' finances because they are unable to work out practical solutions to financial problems, on account of their lack of financial knowledge, skills and expertise (Mestry, 2006).

4.3.3.2 The participants do not have adequate financial management skills

It is noted that even though some of the participants have a long experience of serving in the SGB but they still have the challenge of lacking financial management skills. Other participants have indicated that they are using the skills that they have acquired themselves not because of the training by the DoE.

The principal of Mandla High School stated that:

Most of skills I have, is self acquired rather than from the workshops organised by the DoE and you do not have an option, when you are put in a plane as a pilot you have to fly that plane, we are trying to do that in schools. I pity the newly appointed principals; my advantage is the experience I have as an accounting educator which makes me be able to manage school finances (Mr Sililo).

In responding to the question of adequate finance management skills, the principal of Siza High School had the following to say:

I have attended a number of one day workshops dealing with school finance management but I can not say that I have adequate skills in terms of preparing a budget, receipts and payments and financial statements. Other members of the

finance committee are trained once after they have been elected and they learn other things when we are working as a committee (Mr Nene).

In highlighting the problem of adequate finance management skills, the SGB treasurer of Mandla High School had the following to say:

I have been a member of the SGB for quite some time and I have been attending a number of workshops. I am also exposed to section 38 and 39 of the South African Schools Act No 84 of 1996 which deals with budgeting and school fees. However that does not mean that I have adequate skills because I have never attended a formal school finance course and this is not something that I deal with daily (Mr Ndlovu).

The SGB chairperson of Mandla High School indicated that:

I cannot say one is adequate skills but we are being trained in the workshops, we do prepare the budget towards the end of the year for the following year and also the finance records of the school are being audited to check the receipts and payments; income and expenditure for the school (Mr Mlaba).

According to section 42(a) & (b) of SASA (1996), the governing body of a public school must: keep records of funds received and spent by the public school and of its assets, liabilities and financial transactions; and as soon as practicable, but not later than three months after the end of the financial year, draw up annual financial statements in accordance with the guidelines determined by the Member of the Executive Council. Furthermore in terms of section 43(1) of SASA (1996), the governing body of a public school must appoint a person registered as an accountant and auditor in terms of the Public Accountants and Auditors Act no.80 of 1991, to audit the records and financial statements referred to in section 42.

The governing body must submit to the Head of Department, within six months after the end of each financial year, a copy of the annual financial statements, audited or examined (SASA, section 43(5), 1996). The financial management function of a no-fee school is the responsibility of the school governing body, while the no-fee school principal is an ex-officio member of the SGB and also the accounting officer of the no-fee school (Ngubane, 2009). This means that it is

not only the principal who must have adequate skills but even other members of the governing body should have adequate skills in order to manage school finances properly. This is supported by Caldwell (1992) who argues that in a formal theory, managers of schools must be able to develop and implement a cyclical process involving seven managerial functions: goal-setting; needs identification; priority-setting; planning; budgeting; implementing and evaluating.

Therefore if the principals and the finance committee do not have the adequate skills, it would be difficult for them to do budgeting, planning and other financial management functions. Formal theory characterises schools as goal oriented, there is an assumption that institutions pursue specific objectives and all the members of the organisation are thought to be working towards the achievement of these official aims (Bush, 2003). According to Bisschoff and Mestry (2009), principals recognise that they need to engage in financial management, many of them lack the confidence and skills to do so effectively and the research conducted in Gauteng shows that principals consistently identify budgeting and financial management as the areas where they have the greatest development needs.

Some members of school governing bodies and principals either have little knowledge of the Schools Act or simply interpret it incorrectly, which results in many schools experiencing financial mismanagement (Mestry, 2006). Mestry (2006) further argues that the participants agreed that one of the reasons for the mismanagement of funds and for confrontation between SGBs and principals is the absence of an effective school financial policy or the ineffective implementation of the financial policy where it exists. This confirms the lack of financial management skills from the principals as they are unable to guide the SGB in formulating and developing of the finance policy.

4.3.4 The solutions to the challenges offered by the participants

4.3.4.1 The government should increase the budget for the basic education

The general indication by the participants is that the government should increase the budget for the Basic Education Department so that the department will provide sufficient resources to no-fee schools. For example they claim that they had to accommodate a large number of learners without getting new buildings and more educators which is a very serious challenge when

managing no-fee schools They also suggested that the no-fee schools' principals and SGBs must be well trained to manage these school funds.

The principal of Mandla High School indicated that:

As much as the government has made the commitment of prioritizing education but it has not translated to serious financial commitment to education, therefore the solution will be to increase the budget for education so that the no-fee schools will get more funds to operate (Mr Sililo).

In responding to the question of solutions to the challenges, the SGB treasurer of Mandla High School had this to say:

The DoE must increase the budget allocation for the no-fee schools and the schools must adhere to the proper financial procedures in terms of management of school finances and also be sure that they have finance committee meetings and report to the SGB and parents. Schools must stick to their budget allocation from the DoE and the guidelines on how the school funds may be spend (Mr Ndlovu).

The SGB chairperson of Siza High School also indicated that:

The first solution is that the government must look at the needs of the school when allocating funds, instead of allocating funds according to the number of learners enrolled at the school (Mr Mlaba).

As part of the government's commitment to the promotion of access to education, the number of no-fee schools has increased to 4915 in 2012, including farm schools. And the learner population that is benefiting from this programme stands at 1 872 025. This puts at nearly 80%, the number of no-fee schools in KZN and as such R1.637 billion has been set aside as per the Norms and Standards to cater for all no-fee schools (Mchunu, 2012). Becher and Kogan (1992) propose a structural theory which has the central level, including the various national and local authorities who are between them charged with overall planning, resource allocation and the monitoring of standards. The DoE is a structure that has been given a responsibility of providing education therefore they have to ensure that the budget for no-fee schools is increased. This theory assumes

that the principal, with the SGB structure, are tasked with the duty of planning for the school, allocating the resources like educators to their duties, allocating financial resources during the budget in order to achieve the school goals.

4.3.4.2 The DoE should provide infrastructure to no-fee schools

It is noted that the participants raised the challenge of infrastructure in no-fee schools which makes it difficult to manage them, critically noting the issue of buildings, furniture and maintenance. They supported the provision of infrastructure as a solution because after they were declared as no-fee, their classrooms were overcrowded since more learners came to them. In responding to the question of infrastructure, the principal of Mandla High School had this to say:

One of my fears is the gap that we have between the model C and public schools, if you are a no-fee school it means you are condemned to be all you are for the next decade. No-fee schools are at the mercy of the physical planning section in DoE to provide infrastructure in order to upgrade them to be at the level of what the school is suppose to be. The challenge we have with our community is that they do not respect free things, the tendency of learners of breaking the school property if you talk to them they tell you that this is not your money but the government will repair the school. Unlike in the model C schools, learners know that if they break something they will pay for it (Mr Sililo).

The principal of Siza High School stated that:

The DoE have the physical planning section which ensures that the infrastructure is in good condition especially the toilets, buildings and the sports fields. When the school falls under the category of the no-fee school, the DoE should see to it that the infrastructure is provided in no-fee school because the money that we are getting is not enough and the local municipality should be allowed assist in funding school infrastructure (Mr Nene).

The SGB treasurer of Mandla High School highlighted the challenge of infrastructure when their school was declared a no-fee school by stating that:

There was a challenge in terms of infrastructure because we did not have new buildings therefore we had to overcrowd the learners in classrooms. We had to buy more furniture to cater for the increasing number of learners, therefore I will suggest that the DoE provide more infrastructure for no-fee schools (Mr Ndlovu).

In line with Government's priority of delivering quality service to all South Africans, the department, through its organizational review, created a new directorate that will focus on rural education. The department will ensure the delivery of academic and infrastructure programmes that are of the same quality and standards as those in urban counterparts. These directorates will further ensure that newly qualified teachers and teachers with relevant qualifications, particularly in gateway subjects such as Maths, Science and Technology will be deployed in rural schools (Mchunu, 2012). Clarke (1983) makes it clear that structures remain powerful influences on the nature and direction of development within institutions, as systems grow larger and more complex, their internal structures acquire greater momentum, thrusting themselves powerfully into the future and snapping back with considerable resilience.

Structural theory refers to the formal pattern of relationships between people in organisations and expresses the ways in which individuals relate to each other in order to achieve organizational objectives (Bush, 1997). This theory assumes that the principal and the finance committee have a powerful influence on the financial management of the no-fee school. It presents this assumption on the basis that they are well trained and able to work together as a structure that is responsible for guiding and directing the activities of the no-fee school, to achieve its goals and objectives. This theory can assist the principals in solving the challenges they experience when managing no-fee schools in terms of systems and structures.

4.4 Chapter summary

This chapter has presented the findings on the data generated from the principals of no-fee schools, SGB chairpersons and SGB treasurers using semi-structured interviews as a primary data method and documents review as a secondary data method. The general understanding of the participants of the no-fee schools policy is that it is meant to provide free education especially for the poor. They also raised some challenges in managing no-fee schools such as

the gap created by not collecting school fees, no-fee schools are directed on how to use their school allocation which they feel it restricts them. Furthermore, late deposits of funds by the DoE, the policy takes away the culture of paying from the parents. Finally they offered the solutions to the challenges such as the provision of infrastructure to no-fee schools. In the next chapter, the summary, conclusions and recommendations from the results of data analyses are made.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The previous chapter presented and discussed the findings on the data generated from the principals of no-fee schools, SGB chairpersons and treasurers using semi-structured interviews and documents review. In this chapter, a summary of the study is outlined. Furthermore, based on the critical questions outlined in Chapter One and the findings outlined in Chapter Four, a number of conclusions emerged and are discussed in this chapter. Finally, after a careful consideration of the findings and the conclusions of this study, several recommendations are made.

5.2 Summary of the study

Chapter One provided the background and the organisation of the study. This chapter has provided an outline of the rationale and problem statement explaining the challenges of managing no-fee schools and the aims of the study. The significance of the study was explained and the key concepts were defined. It also presented a brief outline of the literature review, theoretical frameworks, research design and methodology, ethical considerations, limitation, delimitation of the study.

Chapter Two presented a detailed review of literature on no-fee schools internationally, continentally and nationally in terms of implementation, budgeting, ranking of schools into quintiles and school financial management skills. This chapter has also outlined the assumptions on theoretical framework that underpin the study.

Chapter Three provided a discussion on the research design, methodology as well as the techniques on data generation such as semi-structured interviews and documents review which the researcher used to investigate the challenges of managing no-fee schools. It also dealt with the selection of the case, sampling, and data analysis. Lastly the ethical considerations, trustworthiness and limitations of the study were discussed.

Chapter Four presented the findings on the data generated from the principals of no-fee schools, SGB chairpersons and SGB treasurers using semi-structured interviews as a primary data method and documents review as a secondary data method. The general understanding of the participants of the no-fee schools policy is that it is meant to provide free education especially for the poor. They also raised some challenges in managing no-fee schools such as the gap created by not collecting school fees, no-fee schools are directed on how to use their school allocation which they feel it restricts them. Furthermore, late deposits of funds by the DoE, the policy takes away the culture of paying from the parents. Finally they offered the solutions to the challenges such as the provision of infrastructure to no-fee schools.

Chapter Five provides a summary of the whole study, conclusions that emerged from the findings of this study and pertinent recommendations that will assist the principals and the SGB chairpersons and treasurers in managing the no-fee schools.

5.3 Conclusions

After a careful analysis of the findings in the preceding chapter, the following conclusions were made:

The general understanding of the no-fee schools policy was that it was formulated to provide free education to the poor and unemployed communities who were previously prevented from attending schools because they could not afford school fees. The aim of this policy is to bring the financial relief to parents of the school-going children who cannot afford to pay school fees. The schools are declared no-fee paying schools according to quintiles, for example schools that fall under quintiles one, two and some in three are declared no-fee schools. These quintiles are considered as very poor, which means schools under these quintiles must receive larger allocations from the DoE and they are not allowed to charge any fees in the form of admission, administration or extra-curricular costs to parents.

Even though the intentions of the policy are good but there are challenges that are experienced in the implementation of the policy. Firstly, there is a gap that has been created by not collecting school fees from the parents because there are things that the no-fee schools are unable to do like

employing SGB paid employees. These schools have requested the parents to pay the voluntary contributions to supplement the funding from the DoE in order to bridge this gap. However this sent mixed messages to parents from the poor communities because they were told that these schools are no-fee paying and this may negate the good objectives of the policy. This has made parents to be very reluctant in paying these voluntary contributions. Actually this policy has taken away the culture of paying from the parents, as they do not want to pay for educational trips or additional study guides organised by the educators. Secondly, the schools are directed how to spend their allocation which makes it difficult for them to cater for all the school needs. These no-fee schools had to retrench their SGB paid workers because they were directed not to use their allocations to pay salaries.

Thirdly, it is a general concern that the DoE usually transfers the funds into school accounts very late, which makes it difficult for them to operate from the beginning of the year until they receive their allocations. These schools borrow funds to operate during this period or arrange with the service providers to pay when they receive their allocations. Fourthly, the no-fee schools lack sufficient infrastructure such as buildings, toilets, sports fields and resources to function effectively. When these schools were declared as no-fee paying, more learners came to them, classrooms were overcrowded without sufficient furniture to cater for the increasing number of learners.

Finally, the principals and the finance committees are expected to possess the financial managerial skills to spend the funds available efficiently. Since the no-fee schools receive larger amounts of funds, they are expected to budget and utilise these funds efficiently. Principals and finance committee members lack the financial management skills since they are not well trained to manage school funds. They also indicated that they are using the skills that they have acquired themselves not from the training provided by the DoE.

The principals, SGB chairpersons and school finance treasurers suggested the following solutions to the challenges of managing no-fee schools:

They needed more formalised finance management training as the one that is provided by the DoE in one day is not sufficient to provide them with adequate skills to manage school finance. They also indicated that the training is normally conducted by the District officials and principals

who are not the experts in the field of finance management. They even suggested that the principals must attend a finance course in an accredited institution, in order to ensure that they are able to manage the school finances efficiently. Furthermore, to ensure that finance committees do not lack financial management skills. The government should increase the budget for the Basic Education Department so that it will provide sufficient resources to no-fee schools. After these schools were declared to a no-fee status a large number of learners were admitted which meant that they needed more educators and furniture in the classrooms. The DoE should provide infrastructure to no-fee schools. The participants suggested that the no-fee schools needed more classrooms, science laboratories, toilets and computer rooms in order to accommodate an increased number of learners.

5.4 Recommendations

Based on the above findings and conclusions, the following recommendations are made:

5.4.1 Revision of the no-fee schools policy

The contents of the policy should be revised in consultation with the SGBs and school management teams. The amount of money given to no-fee schools should be based on the school needs not the number of learners in the school. Thereafter the no-fee school will be able to provide quality education. The policy should also make provisions for school educational trips and co-curricular activities. This will allow the educators to organise educational trips and co-curricular activities without the fear of parents unable to pay. The quintiles and no-fee status of the school should be revised after a certain period in order to maintain stability in no-fee schools. This would ensure that no-fee schools are able to plan their activities for a certain period, to avoid the changing of quintiles every year. For instance the school was in quintile three in year 2010 and the following year is changed to quintile four because there were schools that were identified to be poorer from other Districts.

5.4.2 Funds should be deposited at the beginning of the year

At least the basic allocation of the no-fee schools should be deposited early in January, so that these schools should budget for their financial year in accordance with the provisions of the South African Schools Act. This will assist the no-fee schools to operate efficiently from the beginning of the year without wasting a lot of time fundraising and begging parents to make voluntary contributions. Instead a lot of time will be dedicated to quality teaching and learning. This will also allow no-fee schools at the beginning of the year, to clean the school yards, pay for services like electricity, water and telephone.

5.4.3 Less restriction on how no-fee schools spend their allocations

The no-fee schools should be allowed to spend their allocations according to the school needs, they must not be restricted to certain services. This will close the gap opened by the non-collection of school fees from the parents because no-fee schools claimed that there were services that they were doing but they cannot do after being declared to a no-fee status. The DoE can approve all the budgets of the no-fee schools before they deposit money in order to ensure that it is in the interests of the learner development.

5.4.4 The SGBs should be trained on school financial management

The school governing bodies should be given more formalised school finance management training as they raised a concern that the one that was provided by the DoE in one day is not sufficient to provide them with adequate skills to manage school funds. The experts in Accounting should be used because they also claimed that the training is conducted by the district officials and principals who are not experts in the field of finance management

5.4.5 The DoE should provide adequate infrastructure to no-fee schools

The no-fee schools should be provided with adequate infrastructure because the allocation they receive is insufficient to maintain or build new buildings. The participants brought the issue of

the lack of adequate number of classrooms, science laboratories, computer rooms, toilets and administration blocks. The DoE requires schools to apply if they need new infrastructure to be built which is a process whilst the classrooms are overcrowded. The sum of money allocated to schools is for minor school infrastructure repairs such as painting the school and replacing doors and windows. This money is also allocated according to the number of learners not the number of buildings to be maintained. Parents and learners should also be brought on board to look after the school infrastructure because the participants raised the issue of learners breaking the school property because they claim the government will repair the school. Sometimes our schools are built and the members of the community come at night and steal the building material which is a setback to the no-fee schools in their campaign of providing quality education.

5.5 Chapter summary

This chapter has provided a summary of the whole study and the conclusions. Furthermore, based on the findings and conclusions which emanated in the study, pertinent recommendations that I consider to be of much assistance to the principals, SGB chairpersons and school finance treasurers in managing no-fee schools are made.

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LIST OF APPENDICES

- A: Ethical clearance from University of KwaZulu-Natal
- B: Permission letter to the KZN Department of Basic Education
- C: Permission letter to the school principals
- D: Permission letter to the SGB chairpersons
- E: Permission letter to the SGB treasurers
- F: Interview schedule
- G: Documents review schedule

Mr Simphiwe D Zondi (209530175)
School of Education
Edgewood

Dear Mr Zondi

Protocol reference number: HSS/0942/012M

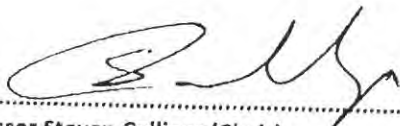
Project title: The challenges of managing no-fee schools: A case study of two no-fee schools

In response to your application dated 31 August 2012, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number. Please note: Research data should be securely stored in the school/department for a period of 5 years.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully



.....
Professor Steven Collings (Chair)
Humanities & Social Science Research Ethics Committee
/ms

cc Supervisor: SE Mthlyane
cc Academic Leader: Dr MN Davids
cc Admin: Mr N Memela / Mrs S Naicker

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Founding Campuses: Edgewood Howard College Medical School Pietermaritzburg Westville

APPENDIX - B
(PERMISSION LETTER TO THE KZN DEPARTMENT OF EDUCATION)

P.O. Box 229
Hibberdene
4220
6 August 2012

Attention: The Head of Department (Dr Nkosinathi S.P. Sishi)
Department of Education
Province of KwaZulu-Natal
Private Bag X9137
Pietermaritzburg
3201

Dear Sir

REQUEST FOR PERMISSION TO CONDUCT RESEARCH

My name is Simphiwe Zondi, an M.Ed student in the School of Education and Development at the University of KwaZulu-Natal (Edgewood Campus). As part of my degree fulfillment, I am required to conduct research. I therefore kindly seek permission to conduct research in four no-fee schools under your jurisdiction in Ugu district. The schools are: _____ Secondary School and _____ Secondary School. The title of my study is: **The challenges of managing no-fee schools: case studies of two no-fee schools.**

This study aims to explore the challenges experienced by the principals in managing no-fee schools and to establish suggested solutions offered by the principals to the challenges they experienced in managing no-fee schools. I plan to focus on no-fee school principals as they are the ex-officio members of the SGB and also responsible for the day-to-day management of the school. The study will use semi-structured interviews and documents review.

Semi-structured interviews will be conducted with the school principal. Participants will be interviewed for approximately 30-45 minutes and each interview will be voice-recorded.

In addition, I will review the financial documents of the two no-fee schools.

Responses will be treated with confidentiality and pseudonyms will be used instead of the actual names. Participants will be contacted well in advance for interviews, and they will be purposively selected to participate in this study. Participation will always remain voluntary which means that participants may withdraw from the study for any reason, anytime if they so wish without incurring any penalties.

For further information on this research project, please feel free to contact my supervisor, Siphwe E. Mthiyane; Tel: 031 260 1870; Cell: 073 377 4672 E-mail: Mthiyanes@ukzn.ac.za. In addition, should you have any queries please feel free to contact me directly using the following contact details: Simphiwe D. Zondi; Tel: 039-9721584; Cell: 0834266608; E-mail: sdzondil@gmail.com.

Research tools are attached herewith for your perusal.

Your positive response in this regard will be highly appreciated.

Thanking you in advance

Yours sincerely

Mr S.D. Zondi

APPENDIX C
(PERMISSION LETTER TO THE SCHOOL PRINCIPALS)

P.O. Box 229
Hibberdene
4220
6 August 2012

Attention: The school principal
_____ High School

Dear Sir/Madam

REQUEST FOR PERMISSION TO CONDUCT RESEARCH

My name is Simphiwe Zondi, an M.Ed student in the School of Education and Development at the University of KwaZulu-Natal (Edgewood Campus). I am required to conduct research as part of my degree fulfilment. Please be informed that I have sought the necessary permission in advance from the KwaZulu Natal Department of Basic Education and has been granted (See copy attached). I therefore kindly seek permission to conduct research in your school. The title of my study is: **The challenges of managing no-fee schools: a case study of two no-fee schools.**

This study aims to explore the challenges experienced by the principals in managing no-fee schools and to establish suggested solutions offered by the principals to the challenges they experienced in managing no-fee schools. I plan to focus on no-fee school principals as they are the ex-officio members of the SGB and also responsible for the day-to-day management of the school. The study will use semi-structured interviews and documents review.

Semi-structured interviews will be conducted with the school principal. Participants will be interviewed for approximately 30-45 minutes and each interview will be voice-recorded.

PLEASE TAKE NOTE THAT:

There will be no financial benefits that participants may accrue as a result of their participation in this research project.

Your identity will not be divulged under any circumstance/s, during and after the reporting process.

All your responses will be treated with strict confidentiality.

Fictitious names will be used to represent your names.

Participation is voluntary; therefore, you are free to withdraw at any time you so wish without incurring any negative or undesirable consequences/penalty on your part.

The interviews shall be voice-recorded to assist me in concentrating on the actual interview.

You will be contacted in time about the interview.

For further information on this research project, please feel free to contact my supervisor,

Siphiwe E. Mthiyane; Tel: 031 260 1870; Cell: 073 377 4672 E-mail: Mthiyanes@ukzn.ac.za.

In addition, should you have any queries please feel free to contact me directly using the following contact details: Simphiwe D. Zondi; Tel: 039-9721584; Cell: 0834266608; E-mail: sdzondi1@gmail.com.

Your anticipated positive response in this regard is highly appreciated.

Thanking you in advance

Yours sincerely

Mr S.D. Zondi

Declaration

I (Full name of participant)
hereby confirm that I have been informed about the nature, purpose and procedures for the
study: *The challenges of managing no-fee schools: case studies of two no-fee schools.*

I have also received, read and understood the written information about the study. I
understand everything that has been explained to me and I consent voluntarily to take part in
the study.

I understand that I am at liberty to withdraw from the research project any time should I so
desire.

Signature of Participant: ----- Date-----

Signature of Witness/ Research Assistant: ----- Date: -----

Thanking you in advance
Mr Simphiwe D. Zondi

APPENDIX D
(PERMISSION LETTER TO THE SGB CHAIRPERSONS)

P.O. Box 229
Hibberdene
4220
6 August 2012

Attention: The SGB Chairperson
_____ High School

Dear Sir/Madam

REQUEST FOR PERMISSION TO CONDUCT RESEARCH

My name is Simphiwe Zondi, an M.Ed student in the School of Education and Development at the University of KwaZulu-Natal (Edgewood Campus). I am required to conduct research as part of my degree fulfilment. Please be informed that I have sought the necessary permission in advance from the KwaZulu Natal Department of Basic Education and has been granted (See copy attached). I therefore kindly seek permission to conduct research in your school. The title of my study is: **The challenges of managing no-fee schools: a case study of two no-fee schools.**

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understand everything that has been explained to me and I consent voluntarily to take part in
the study.

I understand that I am at liberty to withdraw from the research project any time should I so
desire.

Signature of Participant: ----- Date-----

Signature of Witness/ Research Assistant: ----- Date: -----

Thanking you in advance
Mr Simphiwe D. Zondi

APPENDIX E
(PERMISSION LETTER TO THE SGB TREASURERS)

P.O. Box 229
Hibberdene
4220
6 August 2012

Attention: The SGB Treasurer
_____ High School

Dear Sir/Madam

REQUEST FOR PERMISSION TO CONDUCT RESEARCH

My name is Simphiwe Zondi, an M.Ed student in the School of Education and Development at the University of KwaZulu-Natal (Edgewood Campus). I am required to conduct research as part of my degree fulfilment. Please be informed that I have sought the necessary permission in advance from the KwaZulu Natal Department of Basic Education and has been granted (See copy attached). I therefore kindly seek permission to conduct research in your school. The title of my study is: **The challenges of managing no-fee schools: a case study of two no-fee schools.**

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Semi-structured interviews will be conducted with the school principal. Participants will be interviewed for approximately 30-45 minutes and each interview will be voice-recorded.

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I understand that I am at liberty to withdraw from the research project any time should I so
desire.

Signature of Participant: ----- Date:-----

Signature of Witness/ Research Assistant: -----Date: -----

Thanking you in advance
Mr Simphiwe D. Zondi

Appendix F

Semi-structured Interview Schedule for school principals

This Interview schedule is designed to explore the actual challenges experienced by principals and finance committee in managing no-fee schools. This schedule will be used with the school principals.

SECTION A

Biographical Information of the school principals

a) Age group:

(i) Between 25-45 years

(ii) Between 46-65 years

b) Gender:

MALE		FEMALE		
------	--	--------	--	--

c) Educational

qualifications:.....

d) Work experience (Number of years involved in education, positions held, etc.):

SECTION B:

No-fee school policy, implementation and financial management

1. What is your understanding of the no-fee school policy?
2. When your school was declared a no-fee school?
3. What challenges did you experienced in implementing the policy?
4. How do you deal with these challenges?
5. What challenges have you realised since your school was declared no-fee school?
6. Is there any support from the DoBE in terms of financial management training?
Elaborate.
7. Do you have adequate skills to manage school finances in terms of preparing a budget, receipts and payments and financial statements? Elaborate.
8. What solutions can you offer to the challenges of managing no-fee schools? Elaborate.

Semi-structured Interview Schedule for SGB treasurers.

This Interview schedule is designed to explore the actual challenges experienced by principals and finance committee in managing no-fee schools. This schedule will be used with the SGB treasurers.

SECTION A

Biographical Information of the SGB treasurers

e) Age group:

(iii) Between 25-45 years

(iv) Between 46-65 years

f) Gender:

MALE		FEMALE		
------	--	--------	--	--

g) Educational

qualifications:.....

h) Work experience (Number of years involved in education, positions held, etc.):

SECTION B:

No-fee school policy, implementation and financial management

9. What is your understanding of the no-fee school policy?
10. When your school was declared a no-fee school?
11. What challenges did you experienced in implementing the policy?
12. How do you deal with these challenges?
13. What challenges have you realised since your school was declared no-fee school?
14. Is there any support from the DoBE in terms of financial management training?
Elaborate.
15. Do you have adequate skills to manage school finances in terms of preparing a budget, receipts and payments and financial statements? Elaborate.
16. What solutions can you offer to the challenges of managing no-fee schools? Elaborate.

Semi-structured Interview Schedule for SGB chairpersons.

This Interview schedule is designed to explore the actual challenges experienced by principals and finance committee in managing no-fee schools. This schedule will be used with the SGB chairpersons.

SECTION A

Biographical Information of the SGB chairpersons

i) Age group:

(v) Between 25-45 years

(vi) Between 46-65 years

j) Gender:

MALE		FEMALE		
------	--	--------	--	--

k) Educational

qualifications:.....

l) Work experience (Number of years involved in education, positions held, etc.):

SECTION B:

No-fee school policy, implementation and financial management

17. What is your understanding of the no-fee school policy?
18. When your school was declared a no-fee school?
19. What challenges did you experienced in implementing the policy?
20. How do you deal with these challenges?
21. What challenges have you realised since your school was declared no-fee school?
22. Is there any support from the DoBE in terms of financial management training?
Elaborate.
23. Do you have adequate skills to manage school finances in terms of preparing a budget, receipts and payments and financial statements? Elaborate.
24. What solutions can you offer to the challenges of managing no-fee schools? Elaborate.

Appendix G

Documents Review schedule

The document that will be reviewed will not be older than two years and will include:

1. Written sources such as minutes for the finance committee and SGB meetings.
2. School budget for 2011 and 2012.
3. The school statements of income and expenditure for 2011 and 2012 to verify adherence to the budget.
4. The audited financial statements for 2010 and 2011.
5. Final school allocation for the year 1 April 2012 to 31 March 2013.

Official documents will be used to corroborate the interviews thus improving the trustworthiness of the findings. The documents may reveal aspects that were not found through the interviews. They may even “shape new directions for interviews” (Glesne & Peshkin, 1992, p.52). Fitzgerald (2007) also states that documents can provide valuable information about the context and culture of institutions and frequently provide another window for the researcher to read between the lines of official discourse and then triangulate through interviews and questionnaires.

Extensive notes will be taken on matters relating to school financial management.

