



# FINANCIAL MANAGEMENT PRACTICES IN SECONDARY SCHOOLS: A CASE STUDY OF SELECTED SCHOOLS IN MANSA DISTRICT

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**Abstract.** This study investigates the financial management practices in selected secondary schools in Mansa District, Luapula Province. It focuses on how school administrators plan, allocate, utilize, and monitor financial resources in alignment with established policies. The research adopts a qualitative case study design, utilizing interviews with key stakeholders, document analysis, and on-site observations to gather relevant data. Results indicate that while most schools attempt to follow the Ministry of Education's financial guidelines, there are notable inconsistencies in budgeting procedures, record keeping, and the involvement of key stakeholders such as the Parent-Teacher Association. Challenges include delayed funding, lack of training, and limited transparency. These gaps often result in inefficient resource utilization and weakened accountability systems. The study recommends enhanced financial training for school personnel, the integration of digital financial management tools, and stronger oversight mechanisms to promote transparency, efficiency, and stakeholder trust in school financial operations.

**Keywords-** Financial management, Secondary schools, Budgeting practices, Resource allocation, Accountability

## I. Introduction

Effective financial management is essential for the efficient operation of schools and the achievement of quality education outcomes. It ensures that available resources are properly planned for, allocated, utilized, and accounted for in a manner that supports teaching and learning activities. In Zambia, secondary schools receive funding from the government, community contributions, and support from Parent-Teacher Associations (PTAs). However, challenges such as poor financial planning, lack of transparency, and limited administrative capacity can hinder proper fund management. Inadequate financial oversight may lead to the misuse or underutilization of resources, thereby affecting the delivery of education services. This study seeks to explore the financial management practices employed in selected secondary schools in Mansa District. It aims to identify existing strengths, uncover gaps and inefficiencies, and provide recommendations for improving financial accountability and resource utilization in school settings.

## II. LITERATURE SURVEY

### Theoretical Framework

This study is grounded in the principles of Public Financial Management (PFM) Theory, which advocates for accountability, transparency, and efficient use of public



resources. PFM Theory asserts that financial systems in public institutions should be designed to maximize service delivery and ensure that funds are used in alignment with policy objectives. In the context of schools, this theory underscores the need for clear budgeting processes, internal controls, and regular financial audits. The theory further emphasizes stakeholder engagement and monitoring mechanisms to reduce mismanagement and improve financial outcomes.

### **Financial Management in Education**

According to existing literature, effective financial management in education is closely linked to improved learning environments and student outcomes (UNESCO, 2018). Best practices include detailed budgeting, strategic financial planning, systematic record keeping, routine audits, and transparent financial reporting. These practices ensure that resources are allocated appropriately and used efficiently to support school infrastructure, teaching materials, and staff development. Financial stewardship also enhances accountability to stakeholders such as the government, donors, and local communities. Schools with strong financial practices are often better positioned to respond to student needs and achieve their educational goals.

### **Challenges in School Financial Management**

Despite the recognized importance of financial management, many schools face persistent challenges that undermine effective practices. These include a lack of formal training for school heads and bursars, insufficient financial literacy among stakeholders, and weak internal control systems (World Bank, 2020). Corruption and misallocation of funds are also prevalent in some settings, exacerbated by poor record keeping and inadequate monitoring structures. Additionally, the limited involvement of parents and community members in financial decision-making reduces transparency and trust. These challenges collectively hinder schools' ability to use funds in a manner that supports quality education delivery.

## **III. METHODOLOGY**

### **Research Design**

This study employed a qualitative case study design to explore financial management practices in depth within their real-life context. This approach allowed for detailed examination of behaviors, processes, and experiences related to financial administration in selected secondary schools. The qualitative method was chosen to capture the perspectives of various stakeholders involved in school finance, providing rich, contextual insights. It also facilitated the identification of unique challenges and practices across different schools. The flexibility of the case study design supported triangulation through multiple data sources.

### **Study Area and Sample**

The research was carried out in Mansa District, located in Luapula Province, Zambia. The area includes both urban and peri-urban schools, offering a diverse educational landscape. A total of five secondary schools were purposively selected to represent a range of school types and funding scenarios, including government and grant-aided institutions. Selection criteria included accessibility, willingness to participate, and



availability of financial records. Participants included school administrators, financial officers, and representatives from Parent-Teacher Associations (PTAs).

### **Data Collection Methods**

Multiple methods were employed to enhance data validity and reliability. These included:

- Semi-structured interviews with headteachers, bursars, and PTA representatives to understand financial practices and challenges;
- Document analysis involving the review of budgets, receipts, expenditure records, and audit reports;
- Observations of school infrastructure and physical facilities to assess how financial resources were reflected in the school environment.

The triangulation of methods allowed for a comprehensive understanding of financial management in practice.

### **Data Analysis**

Data were analyzed using thematic analysis, a method suitable for identifying and interpreting patterns within qualitative data. Interview transcripts and document notes were carefully reviewed and coded according to recurring themes such as budgeting, financial control, transparency, and stakeholder involvement. These themes were then organized into broader categories aligned with the study objectives. The use of thematic analysis enabled the researcher to draw meaningful conclusions based on both reported and observed financial management practices.

## **IV. DISCUSSION**

### **Budgeting Practices**

All the selected schools engage in annual budget preparation, which is typically aligned with Ministry of Education requirements. However, in many cases, the process lacks inclusive participation, as key stakeholders such as teachers, PTA members, and community representatives are often excluded. This reduces transparency and ownership of the budgeting process. Additionally, budgets are frequently created in response to immediate needs rather than as part of a long-term financial strategy. As a result, schools struggle to anticipate and plan for future financial demands effectively.

### **Fund Utilization**

Expenditure across schools is commonly focused on essential areas such as teaching and learning materials, infrastructure maintenance, and staff support. Despite these priorities, schools often experience disruptions due to delays in the disbursement of government grants or capitation funds. This results in postponed projects and temporary financial strain. Some schools also report difficulty adjusting expenditure mid-year to accommodate unexpected costs. Limited flexibility in fund allocation further constrains their ability to respond promptly to school needs.

### **Financial Record Keeping**

The quality of financial record keeping varies significantly between schools. While some maintain comprehensive records—including receipts, payment vouchers, and



financial statements—others lack standardized filing systems. Poor documentation and the absence of regular updates increase the risk of errors, mismanagement, and loss of important financial information. In some schools, incomplete or missing records make it difficult to track expenditures against the budget. This poses a major challenge for accountability and internal audits.

### **Accountability and Transparency**

Most schools do not consistently conduct internal or external financial audits, and few hold regular financial review meetings with stakeholders. This lack of transparency reduces trust and makes it difficult to monitor the effective use of funds. In some cases, financial decisions are made solely by school administrators without sufficient communication with the PTA or the wider community. The absence of clear reporting structures contributes to suspicions of fund misuse and undermines stakeholder confidence in school leadership.

### **Capacity and Training**

A majority of headteachers and bursars reported limited or no formal training in financial management. Their understanding of budgeting, accounting, and financial reporting is largely based on experience or informal mentoring. This lack of expertise often results in errors in financial planning and inefficient fund utilization. Furthermore, there is little ongoing professional development available to improve their financial literacy. Strengthening capacity through targeted training could significantly enhance financial management practices across schools.

## **V. CONCLUSIONS**

Financial management practices in secondary schools within Mansa District exhibit a mix of strengths and persistent challenges. While a number of schools are making efforts to comply with Ministry of Education financial guidelines and demonstrate good budgeting practices, others still operate with minimal transparency, inadequate record keeping, and limited stakeholder involvement. The lack of formal financial training among administrators continues to undermine the effectiveness of financial systems. To enhance accountability and improve educational outcomes, it is essential to strengthen financial oversight mechanisms, invest in capacity building, and ensure inclusive participation in financial decision-making processes.

### **Recommendations**

- Provide regular training workshops on financial management for school administrators and bursars.
- Implement digital financial tracking systems to improve accuracy and accountability.
- Establish school financial committees with broad stakeholder representation, including PTAs and community leaders.
- Encourage periodic internal and external financial audits to promote transparency.
- Improve the timely disbursement of government grants to support effective financial planning.



- Develop clear financial management policies and manuals tailored for school-level use.
- Promote financial literacy among school staff and community stakeholders.
- Strengthen monitoring and evaluation systems to track the impact of financial decisions on school performance.

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