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Budget Administration in Nigerian Universities: A Case Study of Delta State University, Abraka

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Introduction

Education is considered to be the greatest investment any country can invest on to transform its economic, political and human resource. It requires huge and adequate financial provision, it is an expensive non-profit social service which needs proper management and implementation.

Therefore educational investment according to Saint et al, (2003) has become a decisive factor in knowledge-based economies that from global perspective, economic and social developments are increasingly being driven by the advancement and application of knowledge. The quality of a nation’s educational system especially tertiary education positively correlates with its development profile and determine by the nature and extent of funding.

Since independence in 1960, funding of education has always been the focus of various governments- Federal, State or Local Government. The investment in education was much at independence with increased budgetary allocation because of the nation’s dire need of developing the increasing manpower needed for the expanding administrative framework.

As Sarki (1991) noted, there was increase from one percent of total expenditure in 1918, educational expenditure rose to 16.9 percent of the total expenditure in 1952. This was increased by 3.5 percent of the Gross Domestic Product (GDP) in 1953. The writer continued that during the first Development Plan of 1968-1970, 2.5 percent of its national income was allocated to education; 18.5 percent or N2 million was allocated during the second plan of 1970-1974 and N2.4 million during the third develop plan of 1975-1980 out of the N32 million voted for capital expenditure.

The economic recession of the 1980’s has seriously affected the amount of resources available to government and allocated to education. Recently, the realities on the campuses of tertiary institutions are indicative that funding crises abound. From University autonomy bill to the tuition fees discuss, from the directive by government and Universities’ drive to internally generate certain proportion of their budgetary needs, to deregulation of education to involve state governments and private individual and organizations, from the continued trade disputes, strikes on issues that border on funding, dilapidated and outdated facilities and equipment, to brain drains.

This calls for some important questions that need answers. What is responsible for this state of affairs in Nigerian Higher Institution? What has been the trend in government?

Review of Related Literature

Funding

Funding is very necessary in Universities as it is required in the provision of physical facilities, amenities, recurrent and capital expenditures, teaching and non-teaching staff, social and welfare services, consultancy, research and community services among others. The provision of fund to the
universities enable it contribute to national progress and development.

Funding/financing of education in Nigeria is the responsibility of both public and private sector. The sources of funds for Universities include.

Tuition fees from Regular/Full Time and Part Time students, Sandwich and Weekend, Affiliation and levies, Investment and business ventures as treasury bills, treasury certificate debenture, ordinary shapes, Tended properties, Consultancy and linkages, External source come from:

- Government statutory allocation for capital and recurrent expenditures
- Endowments from Alumni Association, Companies, individuals.
- Grand in Aid, or speed levies such as education trust fund,
- Loans and credit facilities.

Nigeria Universities has three main proprietors, the Federal and State governments and Private bodies. These proprietors have the responsibility of providing adequate funds for development of all necessary resource (human & non-human) for attaining expected qualitative education.

However, it is the proper allocation and utilization of funds that can lead to learning and the attainment of desired educational goals. Therefore, budgetary allocations, actual release and proper utilisations have influence in the realizations of educational policies. This is supported by Nwabuzor, (1987) when he noted that fundamental principle in schools finance management is not the magnitude of funds released to the education sector that create problems, but loses due to budgetary wastages, fraud, absence of internal control and unprecedented rate of educational expansion and inflation. Aigbokhan, Imahe and Ailemen (2005) posited that insufficient budgetary allocations to education have negatively affected human capital development. Emphasizing the need for budgeting the Delta State University Edicts (1998) noted that a tertiary institution that does not operate a budget is not only infringing on established laws, but is like a rudderless-ship that will not arrive its destination by achieving set goals.

Objectives and Purposes of Budgeting in the Educational System

The objectives and purposes of budgeting in educational system can be aptly summarized below:

v Helping to identify areas of need, sets objectives and ensuring the achievement of educational policies and programmes;

v Assisting in planning, co-ordinating the various units, departments and faculties in realization set objectives, policies and programmes;

v Creating a framework for evaluating and assessing, monitory and measuring actual budget performance against budget plans;

v Leads to effective implementation of fiscal plans;

v Creates avenues for effective fiscal control;

Processes of Budgeting

In Nigeria Universities (Federal and States) budgeting process is similar and it follow the following steps: Budget preparation, collation, budget hearing/defence and budget administration.

Budget Preparation: There is budget call or invitation circular by the National Universities Commission (NUC) calling for budget estimates for the new budget year including the actual expenditure for the two preceding years. In case of state Universities the call is made by the state government through the Ministry of Education.

The Vice-Chancellors sends the call, invitation to all the (Academic and Non-Academic) Departments/Units and Faculties for the submission of their recurrent and capital budget estimate proposals. The Universities’ Bursar handles the recurrent budgets while the Director of Planning handles the capital estimate. The staff strength of each faculty, department and unit is calculated using the NUC student teacher ratio, the academic/senior administrative and junior staff ratio.

The computation of staff salaries and benefits, retirement benefits, goods and services teaching, research equipment needs, library and journals. The budget preparation come under recurrent estimate to include income and expenditure and capital estimate.

Budget Collation: The returns from the various cost centres/units and departments are collated by the University Bursar, Director of Planning or any other officer designated by law. This is then presented to the University Development and Estimate Committee and the Governing Councils, Finance and General Purpose Committee (F&GPC). This is further rationalism and processes based on the corrections and recommendations of the above Committee before sending it to the National Universities Commission or the State Ministry of Education for State Universities.

Budget Estimate Hearing and Defence: The Vice Chancellors and their Principal officers are invited by the NUC in case of Federal Universities to justify or defend the budget estimates submitted. This involve presentations, asking of questions, explanations, acceptances, rejections or commendations. The general University problems and specific management challenges are usually discussed. The State Universities defend their budget estimate before the State Ministry of Education.

After due presentation and deference, the NUC present the collated finance budget estimates from the various Universities before the Federal Ministry of Finance and Education and finally the estimate is presented for final approval before the National Assembly in case of Federal Universities and the State Houses of Assembly for State Universities.

Budget Administration and Implementation: The responsible of budget implementation rest with the Vice Chancellor or delegated authorities such as; Deans of Faculties, Heads of Academic and Non-Academic Departments and Directors. When the budget is approved, it becomes operational but an appropriation order or authority to incur expenses must be issued (Ehiametalor, 1995). The approval of a budget by the University Council implies that such University’s Management can expend
monies and items/programmes specified in the budget subject to the availability of funds and budgetary control.

Another aspect of budget administration is budget review. It involves the monitoring, evaluation or appraisal of personnel and physical resources’ level of contribution to achieving overall goals of the school. This is expected to lead to programme modifications, staff motivation, recycling of human and material resources, transfer or outright down-sizing where and when necessary.

**Methodology**

The research is basically based on budget administration in Delta State University, Abraka between 1999-2008. The research design is an ex-post facto. This gives the researcher the opportunity of examining records, collecting data to determine causal factors, and using interview to solicit information from relevant officials.

The population of the study consist of all Universities in Nigeria, however the target population is all Faculties, Academic and Non-Academic Departments/Units of Delta State University, Abraka.

The research purposively sampled all faculties, Departments – Academic and Non-Academic. Specifically, Delta State University, Bursary Department, State Ministry of Educations, Planning, Research and Statistics, State Ministry of Higher Education.

The instrument of the study consist of a checklist to generate secondary data and was validated by two colleagues who are experts in the area of test and measurement, Departments of Counselling Psychology and that of Educational Administration and Policy Studies. Thus establishing its face, construct and content validity.

The instrument was administered personally on all the respondents sampled. One research question was raised and answered with the help of data collected and carefully collated, tabulated, computed and analyzed using descriptive statistics and percentage.

**Research Question**: What are the recurrent, capital budgetary allocations and actual releases to Delta State University between 1999-2008 and were the funds released utilized.

The major purpose of this research was to collate and analyze the budgetary allocation actual releases and how the funds were utilized. This is aimed at contributing, and helping to inform all stakeholders in the education industry on the need for proper funding and utilization of such funds in realizing the set objectives of establishing the Delta State University.

The study aimed at promoting transparency and accountability in fund management and to draw attention to specific areas of neglect that should be checked. It will help educational planners and finance officers in the University and the Ministries of Education and Finance.

This research may not be generalized although it may be applicable to other Universities especially state owned, as only Delta State University, Abraka was studied and specific period between 1999-2008 financial year were used.

**Presentation of Data, Analysis and Discussion**
**Research Question:** What are the recurrent, capital budgetary allocations and actual releases to Delta State University between 1999-2008 and how were the released fund utilized.

Data obtained from Delta State Ministry of Education, Delta State University and Audited Accounts will be used to present the data and answer the research questions on Tables 1, 2, 3, and 4.

Table 1: *Recurrent Budget and Actual Releases to Delta State University, Abraka*

<table>
<thead>
<tr>
<th>YEAR</th>
<th>RECURRENT BUDGET</th>
<th>ANNUAL % DIFF.</th>
<th>ACTUAL RECURRENT RELEASES</th>
<th>ANNUAL % DIFF.</th>
<th>% OF RECURRENT RELEASES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>N453.8M</td>
<td>-</td>
<td>N453.8M</td>
<td>-</td>
<td>100.0</td>
</tr>
<tr>
<td>2000</td>
<td>N736.9M</td>
<td>+1.1</td>
<td>N2.11B</td>
<td>+7.0</td>
<td>287.4</td>
</tr>
<tr>
<td>2001</td>
<td>N1.11B</td>
<td>+1.5</td>
<td>N1.12B</td>
<td>-4.2</td>
<td>100.0</td>
</tr>
<tr>
<td>2002</td>
<td>N2.01B</td>
<td>+3.6</td>
<td>N1.97B</td>
<td>+3.6</td>
<td>98.1</td>
</tr>
<tr>
<td>2003</td>
<td>N2.18B</td>
<td>+0.7</td>
<td>N2.10B</td>
<td>+0.6</td>
<td>96.5</td>
</tr>
<tr>
<td>2004</td>
<td>N2.66B</td>
<td>-15.4</td>
<td>N2.57B</td>
<td>-22.0</td>
<td>96.6</td>
</tr>
<tr>
<td>2005</td>
<td>N3.79B</td>
<td>+4.5</td>
<td>N3.45B</td>
<td>+3.7</td>
<td>91.2</td>
</tr>
<tr>
<td>2006</td>
<td>N4.00B</td>
<td>+.0.9</td>
<td>N3.87B</td>
<td>+1.8</td>
<td>96.8</td>
</tr>
<tr>
<td>2007</td>
<td>N4.64B</td>
<td>+2.6</td>
<td>N2.79B</td>
<td>-4.6</td>
<td>60.3</td>
</tr>
<tr>
<td>2008</td>
<td>N3.27B</td>
<td>-5.5</td>
<td>N3.18B</td>
<td>+1.6</td>
<td>97.4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>N24.86B</strong></td>
<td></td>
<td><strong>N23.64B</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MEAN</strong></td>
<td><strong>N2.49B</strong></td>
<td></td>
<td><strong>N2.36B</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SOURCE:** Delta State Budgets (1999-2009)


Table 1 shows the recurrent budget and actual releases by Delta State University, Abraka. 1999 shows the recurrent budget to be N453.8M and the actual release to be 453.8M i.e. there was 100 percent recurrent releases. The year 2000, the recurrent budget was N736.9M i.e. +1.1 annual percentage difference. The actual releases was increased to N2.11B with annual percentage difference of +7.0. This continued to increase minimally through 2001 to 2004 and in 2005 there was N3.79B recurrent budget but the actual release was N3.45B, thereby having 91.2 percent of recurrent releases as
against the previous year of 96.6. In 2006 the recurrent budget was N4.00B with annual difference of +0.9 and actual release of N3.87B i.e. +1.8 annual percent difference. The percentage of recurrent releases increased to 96.8. There was a marked difference in 2007. N4.64B was the recurrent budget the actual releases fell to N2.79B i.e. -4.6 annual percentage of recurrent release. However, in 2008 the recurrent budget of N3.27B i.e. -5.5 annual percent difference, was N3.18B as the actual releases i.e. +1.6 annual percent difference. This bring the percentage of recurrent releases to 97.4. Therefore, the total recurrent budget of the years under study 1999-2008 is N24.86B with the mean of N2.49B while the total actual release is N23.64B with a mean of N2.36B.

Table 2: Capital Budget and Actual Releases to Delta State University, Abraka

<table>
<thead>
<tr>
<th>YEAR</th>
<th>CAPITAL BUDGET</th>
<th>ANNUAL % DIFF.</th>
<th>ACTUAL CAPITAL RELEASES</th>
<th>ANNUAL % DIFF.</th>
<th>% OF CAPITAL RELEASES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>N433.58M</td>
<td>-</td>
<td>N7.4M</td>
<td>-</td>
<td>16.3</td>
</tr>
<tr>
<td>2000</td>
<td>N184.34M</td>
<td>+3.3</td>
<td>N114.9M</td>
<td>+3.1</td>
<td>66.3</td>
</tr>
<tr>
<td>2001</td>
<td>N340.0M</td>
<td>+3.3</td>
<td>N402.7M</td>
<td>+8.2</td>
<td>91.0</td>
</tr>
<tr>
<td>2002</td>
<td>N34.5M</td>
<td>6.6</td>
<td>N122.9M</td>
<td>-7.9</td>
<td>1035.9</td>
</tr>
<tr>
<td>2003</td>
<td>N50.63M</td>
<td>+0.4</td>
<td>N357.9M</td>
<td>+6.7</td>
<td>80.2</td>
</tr>
<tr>
<td>2004</td>
<td>N149.0M</td>
<td>+3.2</td>
<td>N643.1M</td>
<td>-10.3</td>
<td>291.9</td>
</tr>
<tr>
<td>2005</td>
<td>N259.0M</td>
<td>+2.4</td>
<td>N763.1M</td>
<td>+3.4</td>
<td>103.5</td>
</tr>
<tr>
<td>2006</td>
<td>N715.0M</td>
<td>+9.8</td>
<td>N590.1M</td>
<td>-4.9</td>
<td>34.4</td>
</tr>
<tr>
<td>2007</td>
<td>N2.04B</td>
<td>+28.6</td>
<td>N525.6M</td>
<td>-1.8</td>
<td>23.6</td>
</tr>
<tr>
<td>2008</td>
<td>N847.8M</td>
<td>-25.7</td>
<td>N0.00</td>
<td>-14.9</td>
<td>21.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>N4.66B</td>
<td></td>
<td>N3.53B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEAN</td>
<td>N465.7M</td>
<td></td>
<td>N352.8M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: Delta State Budgets (1999-2009)

Bursary Department, DELSU, Abraka

Table 2 indicates the capital budget and actual releases to the Delta State University. In 1999 while the capital budget was N33.58 million, the actual release was far lower N7.4 million. In 2000 there was increase capital budget to N184.34 million is +3.3 annual percent difference, the actual capital release
was N114.9 million i.e. +3.1 annual percent difference and 66.3 percentage of capital releases. In 2001 it was N340.0 million and the actual release N402.7 million.

However, 2002 the capital budget decreased to N34.5 million i.e. -6.6 annual percent difference and the actual release N122.9 million i.e. -7.9 annual percent difference. There was increased capital budget in 2003 to N50.63 million and increased actual release to N357.9 million. In 2004, it should be noted that the actual capital released of N643.1 million far exceeded the capital budget of N149.0 million. The same thing occurred in 2005, the capital budget was N259.0 million while the actual capital release was N763.1 million.

In 2006, this capital release dropped to N590.1 million as against the capital budget of N715.0 million. In 2007 although there was increased capital budget of N2.04 billion i.e. +28.5 annual percent difference, the actual capital release fell to N590.1 million i.e. -4.9 annual percent difference.

In 2008 although there was capital budget of N847.8 million, there was no capital release to the Delta State University, Abraka. Therefore, the total capital budget was N4.66 billion with a mean of 465.7 million and the total actual capital release was N3.53 billion with a mean of N352.8 million. The percentage increase of the capital budget from 1999 to 2008 is 2,424.9 percent while the percentage increase of the actual releases from 1999 to 2008 is 6,995.3 percent.

Table 3: Recurrent Utilization/Expenditure of Delta State University, Abraka from 1999-2008

<table>
<thead>
<tr>
<th>FINAN. YEAR</th>
<th>PERSONNEL EMOLUMENT</th>
<th>%</th>
<th>OVERHEAD EXPENSES</th>
<th>%</th>
<th>TOTAL RECURRENT UTILIZATION</th>
<th>% OF TOTAL BUDGET EXPEND.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>N372.0M</td>
<td>82.0</td>
<td>N80.8M</td>
<td>17.8</td>
<td>N453.8M</td>
<td>98.4</td>
</tr>
<tr>
<td>2000</td>
<td>N2.01B</td>
<td>94.8</td>
<td>N98.6M</td>
<td>4.7</td>
<td>N2.12B</td>
<td>94.8</td>
</tr>
<tr>
<td>2001</td>
<td>N1.00B</td>
<td>90.9</td>
<td>N108.8M</td>
<td>10.0</td>
<td>N1.1B</td>
<td>73.5</td>
</tr>
<tr>
<td>2002</td>
<td>N1.84B</td>
<td>93.4</td>
<td>N127.0M</td>
<td>6.5</td>
<td>N1.97B</td>
<td>94.1</td>
</tr>
<tr>
<td>2003</td>
<td>N1.93B</td>
<td>91.9</td>
<td>N172.2M</td>
<td>8.2</td>
<td>N2.10B</td>
<td>85.5</td>
</tr>
<tr>
<td>2004</td>
<td>N2.39B</td>
<td>93.0</td>
<td>N183.2M</td>
<td>7.1</td>
<td>N2.57B</td>
<td>80</td>
</tr>
<tr>
<td>2005</td>
<td>N3.22B</td>
<td>93.1</td>
<td>N239.7M</td>
<td>6.9</td>
<td>N3.46B</td>
<td>81.9</td>
</tr>
<tr>
<td>2006</td>
<td>N73.61B</td>
<td>93.3</td>
<td>N258.8M</td>
<td>6.7</td>
<td>N3.87B</td>
<td>86.8</td>
</tr>
<tr>
<td>2007</td>
<td>N2.64B</td>
<td>94.6</td>
<td>N158.6M</td>
<td>5.7</td>
<td>N2.79B</td>
<td>84.2</td>
</tr>
<tr>
<td>2008</td>
<td>N2.96B</td>
<td>93.1</td>
<td>N217.1M</td>
<td>6.8</td>
<td>N3.18B</td>
<td>100</td>
</tr>
<tr>
<td>TOTAL</td>
<td>N22.0B</td>
<td></td>
<td>N1.65B</td>
<td></td>
<td>N23.64B</td>
<td></td>
</tr>
</tbody>
</table>
Table 3 above shows the patterns of expenditure made up of personnel emolument and overhead expenses. On personnel emolument, there was progressive increase from N372 million in 1999 to N3.22 billion in 2005 and N3.61 billion in 2006. There was however a decrease in 2007 to N2.64 billion and N2.96 billion in 2008. The same applies to the overhead expenses from N80.8 million in 1999, there was increase to N98.6 million in 2000, N108.8 million in 2001, N127.0 million in 2002, N172.2 million in 2003. N183.2 million in 2004, N239.7 million in 2005, N258.8 million in 2006, however, there was sharp decrease in 2007 to N217.1 million and 2008 is the overhead cost rose to N217.1 million.

Therefore, the total personnel emolument was N22.0 billion, while the total overhead cost stood at N1.65 billion which brings the total recurrent utilization to N23.64 billion.

Table 4: Capital Utilization as Proportion of Total Expenditure by

*Delta State University, Abraka*

<table>
<thead>
<tr>
<th>YEAR</th>
<th>CAPITAL EXP. BY INSTITUTIONS</th>
<th>%</th>
<th>CAPITAL EXP. BY GOVT.</th>
<th>%</th>
<th>TOTAL CAP. UTILIZATION</th>
<th>% OF TOTAL BUDGET UTILIZED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>N7.4M</td>
<td>1.61</td>
<td>—</td>
<td>—</td>
<td>N7.4M</td>
<td>1.61</td>
</tr>
<tr>
<td>2000</td>
<td>N5.36M</td>
<td>0.24</td>
<td>N109.6M</td>
<td>4.91</td>
<td>N114M</td>
<td>5.15</td>
</tr>
<tr>
<td>2001</td>
<td>N14.73M</td>
<td>0.87</td>
<td>N388.0M</td>
<td>25.52</td>
<td>N402.7M</td>
<td>26.4</td>
</tr>
<tr>
<td>2002</td>
<td>N5.40M</td>
<td>0.26</td>
<td>N1177.5M</td>
<td>5.62</td>
<td>N122.9M</td>
<td>5.9</td>
</tr>
<tr>
<td>2003</td>
<td>N28.62M</td>
<td>1.22</td>
<td>N209.3M</td>
<td>8.95</td>
<td>N357.9M</td>
<td>10.17</td>
</tr>
<tr>
<td>2004</td>
<td>N52.85M</td>
<td>1.66</td>
<td>N552.3M</td>
<td>17.38</td>
<td>N643.1M</td>
<td>19.04</td>
</tr>
<tr>
<td>2005</td>
<td>N88.66M</td>
<td>2.1</td>
<td>N674.47M</td>
<td>16</td>
<td>N763.1M</td>
<td>18.1</td>
</tr>
<tr>
<td>2006</td>
<td>N25.14M</td>
<td>0.60</td>
<td>N242.93M</td>
<td>5.86</td>
<td>N590.2M</td>
<td>6.46</td>
</tr>
<tr>
<td>2007</td>
<td>N14.5M</td>
<td>0.48</td>
<td>N209.74M</td>
<td>6.95</td>
<td>N525.6M</td>
<td>7.43</td>
</tr>
<tr>
<td>2008</td>
<td>—</td>
<td>0</td>
<td>—</td>
<td>0</td>
<td>—</td>
<td>0</td>
</tr>
</tbody>
</table>
Table 4 revealed the capital expenditure by Delta State University, and that by Delta State Government on behalf of the University. The table shows that 1999, the University expended N7.4 million and there was no capital project executed by the State Government in 2000. The University expended N5.36 million while the State Government executed capital project worth N109.6 million. This increased in 2001 to N14.73 million while expenditure by Government N388.0 million, this bring the total capital expenditure for 2001 to N402.7 million which is 26.4 percentage of total budget utilized.

The amount dropped in 2002 with N5.40 million expended by the University and that of the State Government N177.5 million i.e. 5.9 percent of total budget utilized. This amount increased in 2003 to N28.62 million for the University, and that of the State Government N209.3 million with the total capital utilization at N357.9 million. The percentage of total budget utilized was N10.17 million. In 2004 and 2005 there was increase but in 2006 and 2007 expenditure reduce again and in 2008 there was no overhead utilization. The capital sub-head, Delta State University received N3.53 billion or 45.8 percent.

Discussion of Findings

The analysis from the tables illustrates the pattern of financial allocations to Delta State University, Abraka between 1999 to 2008.

In recurrent budget and actual releases, there was steady increase from 1999 to 2007 when there was decrease and in 2008 there was further decrease from N4.64 billion in recurrent budget and N3.18 billion in actual recurrent releases.

The increase from 1999 budget were to address issues of transition to democratic rule, the new minimum wage increase of N7,500 for public services also account for the increase. This increase continued into 2000, this also affected the expenditure column. Another thing which can account for the increase was employment of Deltans and Non-Deltans into the public service as a result of the lifting of the embargo an employment. This give rise to staff strength of the Delta State teaching and non-teaching staff from 23,550 in 1999 to 40,801 or 57.7 percent in 2005 and from 2006, personnel costs increased by over 30 percent. The implementation of the monetization of allowances and that of the contributory pension scheme in the public service accounted for the increase. It should be noted that from 1999-2008, the least recurrent allocation to education was N14.16 billion or 17 percent, capital votes to education also rose from 174 millions in 1999 to N9.27 billion highest vote in 2006. However, this decreased to N6.66 billion in 2008 or 4.6 percent.

The increase in capital votes to education was meant to address infrastructural decay in the sector and
to take care of newly established polytechnics of Otefe-Oghara, Ogwashi-Uku and Ozoro and the College of physical education at Mosogar. The increase was also meant to take of projects in the Delta State University with its campuses at Anwai, Oleh and the relocation to the permanent site in Abraka. Other sub-sectoral needs arose from the rehabilitation and renovation challenges at the Colleges of Education Warri and Agbor.

An overview of the analysis was that finance allocation to the education sector and Delta State University in particular was not consistent, when examined against the background in percentage increase, one discover grant disparity and lack of unitary progression. It should be noted that it was only in 2000 and 2001 that allocation to tertiary education exceeded the UNESCO 26 percent.

On actual release, the data analysis indicates that there were actual releases to the University, the increased released of capital votes was due to growth in revenue accruing to the state especially from the 13 percent derivation for mineral producing areas/station.

The data indicates that there were no overhead releases to the Delta State University for 2006, 2007 and 2008. To account for this, the researcher was informed that they were authorized to generate and utilize funds internally. In cases were there is zero capital release what do you expect of development of such sector, whereas a major social index of development is increase in capital accommodation. Non release of capital votes could have negative effects on teaching and learning infrastructures, facilities and equipments thereby reducing the “carrying capacity” of such institution, (Anho, 2010). Confirming this Aigbokhan, B., Imahe J. and Ailemn I. (2005) noted that the release of capital votes to educational institutions is meant to develop the skills and knowledge of its people which will inturn accumulate further capital, exploit natural resources, build social, economic and political organizations and promote national development.

On overhead utilization, Delta State University utilized N1.64 billion or 58.6 percent. On capital sub-head, it utilized N3.5 billion or 45.7 percent. These are in the areas of construction of new buildings such as staff quarters, electricity, accreditation of programmes, cyber café, vehicles, fencing, roads, lecture halls and staff offices, female hostels, and administrative buildings.

A new trend which this research noted in the capital sub-head expenditure was the execution of most of the projects by the Delta State government rather than the Governing Councils of the University as established by law. This is disturbing. Out of the total N3.5 billion releases to the Delta State University, the Delta State government on behalf of the Delta State University executed projects’ worth N3.22 billion or 91.5 percent. This means the University spent only N299.68 million or 8.5 percent. This findings agrees with the National University Commission’s 2006 report that 19.3 percent of capital votes released was expended by some institutions themselves, while 16.8 percent was unaccounted for.

This phenomenon of spending or utilizing capital vote on behalf of the institutions is strange and should not be encourage as it goes against the policy of budget administration. It is the Governing Council who is charge with the responsibility of ensuring to maintain a healthy financial budget administration budget.

Budget administration and utilization by the State government rather than the Vice Chancellor is a misnormal which can discount the budgeting process and educational plans. Mitchel (1998) observed
that an apparent disconnection between budget allocations and educations plans can reduce school effectiveness of good budget implementation and utilization and positively influence student outcomes, help to influence working conditions for staff and have informal evaluation machinery for review, adoption, adjustment and virement which is the practice whereby funds are transferred from a budget head to another.

Interference of the State Government in budget utilization could not promote the necessary conditions of budget review. According to Enaohwo, (1993) budget review is the monitory, evaluation or appraisal of personnel and physical resources level of contribution to achieving overall goals of the school. According to the writer, the outcome of budget review could lead to flexibility which leads to reasonable modifications, staff motivation, recycling, transfer or outright down-sizing when necessary.

It is therefore expedite that the State government should stay away from such budget utilization from sub-heads meant for the University.

Summary, Findings, Conclusion and Recommendations

This work examined budgetary allocations, actual releases and utilization in Delta State University between 1999-2008. The aim of this is to find out the level of government’s commitment to funding and also identify if disparity exist or not.

From the analysis of data, it was discovered that the Delta State Government allocated an average of 16.8 percent of total State annual budget to the education sector between 1999 and 2008. N142.4 billion or 89.7 percent was released to the education sector while the Delta State University utilized N27.2 billion or 58.1 percent out of the N46.7 billion released to tertiary institutions. This indicate that the University subsector utilized the greater part of the fund released. While, there was zero release for capital votes to the University in 2008. It should be noted also that most of the capital budget and releases where not utilized by the University but by the State government itself.

Financial releases to the education sector or the sub-sector of the University did not show a linear progression in either recurrent or capital sub-head. There is non consistency in the funding pattern as there is disparity between budgetary allocations, actual releases and utilization. The Delta State government budgetary allocations to the education sector was generally below the 26 percent benchmark recommended by UNESCO.

Personnel expenditure was overwhelmingly prominent over overhead in the recurrent expenditure. The usurpation of the authority of the Governing Council of the Delta State University in the execution of capital budget is a breach of the law establishing the University and it erodes the University autonomy.

There is no precise model for budgetary allocations and actual releases in Delta State within the period under review, therefore there was no consistency in the fiscal release process.

The following are therefore recommended:

- That all capital votes meant for the University should be released through its Governing Council to the Vice Chancellor.

- Zero release of capital votes should never be practiced so as to encourage the attainment of
the aims and objectives of establishing the University.

- Financial releases should consistently be reflecting linear progression in both recurrent and capital sub-heads.

- The University and its sub-sectors should adhere strictly to budgetary process of budgetary allocations, preparation, estimate hearing/defence, administration, monitoring, evaluation and review if need be.

References


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