

**KWAME NKRUMAH UNIVERSITY OF SCIENCE AND
TECHNOLOGY**

COLLEGE OF ART AND SOCIAL SCIENCES

DEPARTMENT OF ECONOMICS

**ASSESSING THE EFFECTIVENESS OF THE CAPITATION GRANT
TO BASIC SCHOOLS IN GHANA: A CASE STUDY OF
OFORIKROM SUB-METRO**

BY

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**A THESIS SUBMITTED TO THE DEPARTMENT OF ECONOMICS,
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TECHNOLOGY, IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF
PHILOSOPHY IN ECONOMICS**

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DECLARATION

I hereby declare that this work is the results of my own investigations and that apart from the works of those which have been duly acknowledged in the text, this work has never been presented to this University elsewhere for the award of any certificate, diploma or degree.

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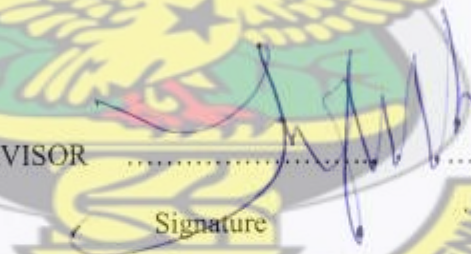
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ABSTRACT

Development economists always purport that the well-being of the individual and the economy at large is found in some basic parameters of which education is no exception. Following this position, governments and leaders worldwide have, over the years, been very much articulate, soliciting for ways by which education could be made a basic priority and right to all individuals in the global world.

The study therefore assesses the effectiveness of the capitation grant in basic schools in Ghana. The study made use of both quantitative and qualitative analyses using Ordinary Least Square with data gathered through field survey and sample size of 200. The Oforikrom sub-Metro as the point of reference. The results obtained give the indication that the amount made available to each student is woefully inadequate, making it saddled with numerous challenges. As a result, the parents are made to pay huge amount under the pretext of PTA dues, which is in contravention of the core objective of the capitation grant policy.

The results further indicated that monitoring and periodic visit to schools to check on the activities of head teachers will undoubtedly help to redeem the image of the capitation grant. The study therefore recommended that the government of Ghana should make it a matter of policy to increase the amount of the capitation grant. The study further suggested that basic learning materials and infrastructural facilities should always be provided by the government to schools to help cut down the burden on parents, and to also promote effective teaching and learning.

DEDICATION

This work is dedicated to my husband, Matthew Amoako and my children, Francis Adom Amoako, Anne Afrah Amoako, Abigail Nyarko Amoako and Lordina Gyamfua Amoako.

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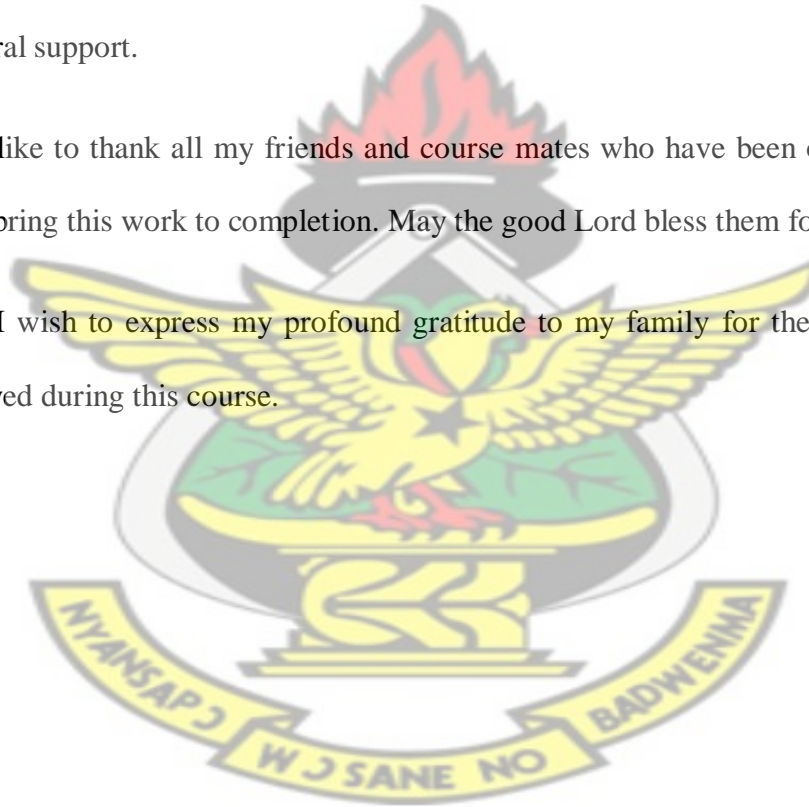


TABLE OF CONTENTS

Contents	Page
DECLARATION.....	i
ABSTRACT.....	iii
DEDICATION.....	iv
ACKNOWLEDGMENTS.....	v
TABLE OF CONTENTS.....	vi
LIST OF TABLES.....	x
LIST OF FIGURES.....	x
LIST OF ABBREVIATIONS.....	xi
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the study	1
1.2 Problem statement	4
1.3 Objectives of the study.....	6
1.4 Research questions.....	6
1.6 Justification of the study	7
1.5 Hypothesis of the study	7
1.7 Brief methodology	8
1.8 The scope of the study	8
1.9 Limitations of the study	9

1.10 Organization of the study	9
CHAPTER TWO	10
LITERATURE REVIEW	10
2.0 Introduction	10
2.1 Theoretical Literature Review.....	10
2.1.1 Human Capital and Development.....	10
2.1.2 Importance of Education.....	14
2.1.3 Education Reforms in Ghana.....	17
2.1.4 Education Finance in Africa and Ghana.....	24
2.1.5 The Capitation Grant Policy in Ghana.....	28
2.1.6 Criteria for spending the Capitation Grant.....	30
2.1.7 Management of the Capitation Grant.....	31
2.1.8 Challenges of the Capitation Grant on Basic Schools.....	32
2.2 Empirical Literature Review.....	35
CHAPTER THREE.....	39
METHODOLOGY	39
3.0 Introduction	39
3.1 Research Design.....	39
3.2 Data and Data Collection Instrument.....	40
3.3 Sample Size and Sampling Method.....	40
3.4 Data Analysis.....	41
3.5 The Model Specification.....	42

3.6 Background of the study.....	44
CHAPTER FOUR	46
DATA PRESENTATION AND ANALYSIS.....	46
4.0 Introduction	46
4.1 Summary Statistics of the variables used for the study.....	46
4.2 Adequacy of the Capitation Funding.....	49
4.3 The Degree of Necessity of PTA dues for schools.....	55
4.4 The way forward to ensure sustainability of Capitation Grant.....	59
4.5 Parametric analysis of the factors that precipitate payment of PTA dues.....	61
CHAPTER FIVE	66
SUMMARY, CONCLUSION AND RECOMMENDATIONS	66
5.1 Introduction	66
5.2 Summary of key findings.....	66
5.3 Conclusion.....	68
5.4 Policy implications and recommendations.....	70
5.5 Areas suggested for further studies	71
REFERENCES	72
APPENDICES	79

LIST OF TABLES

Table	page
1. Descriptive statistics of variables for the respondents.....	45
2. Expenditure and Revenue position of the selected schools.....	50
3. Regression results showing why schools make parents pay PTA dues.....	59

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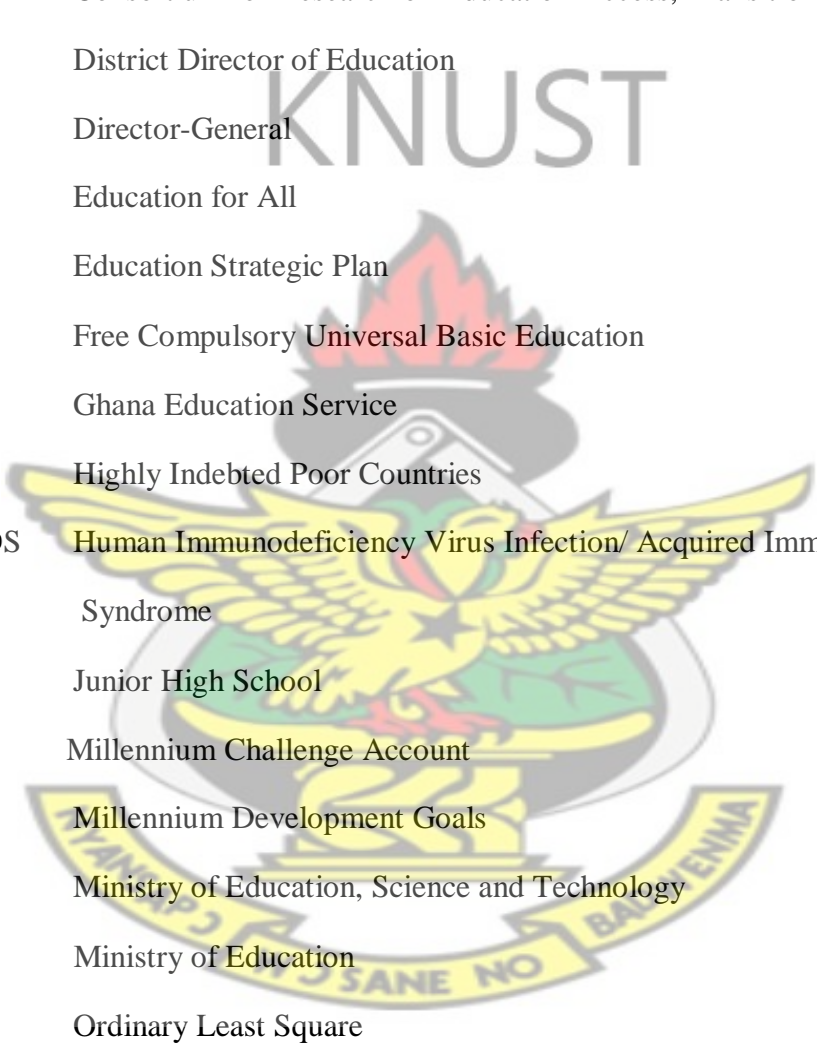


LIST OF FIGURES

Figure	Page
1. Adequacy of the capitation policy from respondents.....	55
2. The views of stakeholders on insufficiency or inefficient use of the capitation grant.....	53
3. Prospects of the capitation grant.....	57



LIST OF ABBREVIATIONS



ADEA	Association for the Development of Education in Africa
BECE	Basic Education Certificate Examination
CDD	Centre for Democratic Development
CREATE	Consortium for Research on Education Access, Transitions and Equity
DDE	District Director of Education
DG	Director-General
EFA	Education for All
ESP	Education Strategic Plan
FCUBE	Free Compulsory Universal Basic Education
GES	Ghana Education Service
HIPC	Highly Indebted Poor Countries
HIV/AIDS	Human Immunodeficiency Virus Infection/ Acquired Immunodeficiency Syndrome
JHS	Junior High School
MCA	Millennium Challenge Account
MDGS	Millennium Development Goals
MEST	Ministry of Education, Science and Technology
MoE	Ministry of Education
OLS	Ordinary Least Square
PSDP	Primary School Development Project
PTA	Parent Teacher Association
RDE	Regional Director of Education
REBEP	Rehabilitation of Basic Education Programme
SMC	School Management Committee

SPIP	School Performance Improvement Plan
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNESCO-UIS	UNESCO Institute for Statistics
UNICEF	United Nations International Children's Emergency Fund
USAID	United States Agency for International Development

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Education has been regarded in all societies and throughout human history both as an end in itself and as a means for the individual and society to grow. Education serves as a means of overcoming poverty, disease, improving nutrition and health and empowering people to increase their income (Hopkins, 2001; &Epke, 2012). Economists also observed that education systems can provide pathways to economic advancement (OECD, 1989; Ross, Paviot, &Genevois; 2006). It is not only the key to sustainable development but also a fundamental human right [Bruns et al, 2003]. Consequently, the UN Declaration of Human Rights (1948), the 1959 Declaration of the Rights of the child, the 1966 International Covenant on Economic, Social and Cultural Rights of the child (Rosensweig, 2002), among others, have reaffirmed this right and lent credence to the indispensability of education in the preservation and enhancement of the inherent dignity of the human person (UNESCO-UIS,2000). Numerous other declarations, conventions, covenants and constitutions also reiterate education status as a right.

Countries worldwide are making good and encouraging progress towards reducing the number of out-of-school children as far as educational enrollment is concerned. Specifically, sub-Sahara Africa has witnessed an unprecedented 25% increase in enrollment between 1998/99 and 2002/2003 academic year (ADEA.2007). Such countries ensured that children have access to free, compulsory and good quality primary education.

However, progress on governments action to minimize the rate of “out of school” children in the global world has not been impressive, particularly in Africa where most of the world’s out-of- school children live. Insufficient funding has been identified as one of the most prevalent obstacles for this situation and there is rich and growing literature on the cost and financing of education. Consequently, the abolishing of school fees especially at the basic educational level has been adopted by many countries as one of the key policy intervention for influencing educational outcomes (USAID, 2007). Countries that had taken bold steps to eliminate school fees and other indirect educational costs saw an increase in total enrollment in the year following the abolition; Lesotho had 11% increase in enrollment in 2001, Mozambique experienced 12% increase in enrollment in 2005, Ghana had 14% increase in 2006, Kenya also had 18% increase in 2004, Ethiopia experienced 18% increment in 1996, Cameroon had 23% increase in enrollment in 2000, Malawi had 51% in 1995 and 68% increase in Uganda (1998) (ADEA, 2007).

The government of Ghana has tried in various ways towards achieving Universal Primary Education (Millennium Development Goals 2) by ensuring that all children of school going- age enroll and complete by 2015. The Ghana government has shown this commitment through policy directives and interventions like the Education Strategic Plan (ESP) for 2003-2015, the Growth Poverty Reduction Strategy, the Free Compulsory Universal Basic Education Programme and the 1992 Constitution. Strategies implemented to operationalise the policies include the introduction of the Capitation Grant, expansion of Early Childhood Development services, promotion of measures to improve Gender Parity in primary schools, and the introduction of Nutrition and School Feeding Programmes.

The Government of Ghana re-lunched the policy of free Compulsory Universal Basic Education (FCUBE) in 1995 supported by the World Bank Primary School Development with the aim of achieving Universal Primary Education (UPE) by 2005. A 2007 UNICEF report however found that a persistent 40% of children between six and eleven years of school going age remained out of school as of 2003. One of the major reasons parents gave for not sending their children to school was their inability to pay levies imposed on them by the schools. In 2004, Ghana Education Service carried out some studies and found out that 76 different types of levies with the highest in the urban centers have been imposed on parents by heads of schools. The FCUBE as a cost-sharing scheme was designed to cover non-tuition fees. Parents were expected to bear limited educational expenses as the intent of the policy initiative encapsulated.

In 2005/2006 academic year, the Ministry of Education established the Capitation Grant after piloted in 40 districts (2004/2005) to relieve parents of unnecessary levies, to boost enrollments at the basic education level in all public schools also to address other challenges to universal basic education. Under the scheme, every public primary school received GH¢ 3.00 per pupil enrolled per year and it was revised to GH¢ 4.50 in the 2008\2009 academic year.

It must be said without any reservation that the intents of the capitation grant by the government of Ghana, among other things, was to make basic education accessible to all school going children in the country. It is not in question that of late people appear to be thunderstruck as the original intentions of the capitation policy now appears to be a backlash. Parents now face serious financial difficulties with regard to funding their wards' education at the basic level more than prior to the inception of the education

policy. This has the effect of deterring many families particularly the poor from sending their children to school. The capitation grant was set to relieve the financial barrier created by these levies and more compensate the schools for any loss of revenue they face as a result. The golden question that will demand a multi-faceted answer is what therefore have been the ifs and buts of the situation at stake? Is it that the lump sum given by the government as contained in the policy description is woefully inadequate? Or is there any financial misappropriation on the part of the policy facilitators and/or the heads of the basic schools? If all these questions and other numerous similar important questions are untenable, then what has been going amiss? It is very palpable that most basic schools in the country of late of which Oforikrom sub-Metro is no exception now charge exorbitant fees disguised as Parent Teacher Association (PTA) dues, Development Fund and others. This ‘unnecessary’ exacting of monies from pupils’ parents has turned to compound or better still aggravate the financially constrained situation in which parents find themselves in. It is therefore in the line of this that the research has been necessitated to find out the challenges and prospects of the capitation grant.

1.2 PROBLEM STATEMENT

Improving educational access in Ghana has moved through several ways with the introduction of capitation grant to eradicate fees and also make education accessible in all public basic schools. Available education statistics data suggest that in its first year the introduction of capitation grants led to an increase in enrollment in basic schools as hoped for by the policy. Primary schools gross enrollment rose by nearly 10%, bringing

total primary enrollment to 92.4% nationwide. Primary net enrollment increased from 62% to 69% (UNICEF working paper, 2007).

The principle behind introducing capitation grant was that it would eliminate households' need to pay fees for basic education, especially for the poor who it had been shown were not accessing education because of the costs, and enable schools to use the funds to improve the quality of education. A number of studies show that household income is essential to determining a child's access to education. It informs the decision to enroll, attendance and the decision to drop out of school (Birdsall, Levine, Ibrahim. 2005; Bruneforth, 2006; Colclough, Rose and Tembon. 2000; and UNESCO, 2010,).

For instance, in the Ghana Education Service (GES) guidelines for the distribution and utilization of Capitation Grants, it is argued that one of the reasons why children in Ghana do not attend school is that their parents cannot afford to pay the levies charged by the schools. It is in line with this that the government of Ghana set up the capitation grants which commenced in the 2004/2005 academic year. Under the scheme, every public primary school receives an amount of GH¢ 4.50 for each pupil enrolled per year. The capitation grant as a policy has been implemented since 2005/2006 academic year and a lot of studies have been conducted on its impacts on enrollment, attendance, retention of pupil at school, school completion, academic performance; example Osei-Fosu (2010); Asante (2011); Yelkpieri and Bilikpe (2013); Akyeampong (2011); Dawuda (2011) etc. All other studies indicated a positive and significant impact of the grant on schools.

Yet, it is not clearly understood why many children are rightfully denied access to education despite its benefits to the state and also why parents / guardians are made to pay fees under the pretence of PTA dues? The question is that, is the grant not sufficient to cater for all the basic education requirements of pupils in all the basic schools in

Ghana? Is the grant not well implemented? Why are schools charging some fees on the pretext of PTA? How regular are the grants paid? How easily do heads of schools receive the grants? These and other factors have motivated this current study.

1.3 OBJECTIVES OF THE STUDY

The main objective of the study is to find out the challenges that bedevil or impede the proper functioning of the capitation grant for basic schools and to also to find out about the prospects of the grant in Ghana.

The specific objectives are the following:

- To find out whether the amount given to head teachers of basic schools for each pupil is sufficient or not.
- To find out why schools make parents pay PTA fees.
- To find out the prospects of the policy to enhance educational system in Ghana.

1.4 RESEARCH QUESTIONS

- Is the capitation grant sufficient for the expenses on each child?
- What are the challenges facing the capitation grant policy?
- What are the prospects of capitation grant to the development of teaching and learning in basic schools in Ghana?

1.5 JUSTIFICATION OF THE STUDY

The study is very important to the development of basic school by ensuring that quality education is made accessible to pupils at that level. That is, the study would serve as a guide to ensure that efficient allocation of resources for the protection of children's rights in the country would be made.

After the completion of the work, it would enable policymakers and all other stakeholders to be convinced whether to continue to allot funds into such policies or not. It would also help to provide education that is affordable and accessible; especially to children who are financially disadvantaged. This would boost the morale, commitment and status of teachers as teachers become happy when they realize that their students do not encounter anything that inhibit their learning ability .

It must be mentioned that the findings of the study would go a long way to determine as to whether Non Governmental Organizations and other educational philanthropists would have to give a readily financial and other material support to especially the downtrodden and less privileged students in basic schools in Ghana.

1.6 Hypothesis

There are a lot of challenges and problems basic schools are facing under the operation of the capitation grant.

The capitation grant is insufficient for the basic schools.

1.7 BRIEF METHODOLOGY

Cross-sectional data source of some selected basic schools in Oforikrom sub-metro was used. Purposive sampling was used to conduct interviews through structured questionnaires administer. It was adopted due to the time and resource constraint.

The researcher used both qualitative and quantitative data for the analysis of the study.

The study used OLS regression for the statistical analysis, and SPSS version 16.0 for the graphical presentation of the data gathered.

The statistical criteria used for the evaluation of the research viability is both P-values and student Z-values and the descriptive tools used include bar graph, mean, standard deviation e.t.c. STATA and SPSS softwares were used for data entry and analysis.

1.8 SCOPE OF STUDY:

The research covered twenty selected basic schools within the Oforikrom sub-metro in the Ashanti Region of Ghana. The scope covered such public schools including Ayeduase J.H.S, Ayeduase Primary, Kotei R/C J.H.S., Deduako M/A J.H.S, Deduako Primary, Emena M/A Primary and J.H.S, Appiadu R/C Primary and J.H.S, Ayigya Primary and J.H.S, Oforikrom M/A both A&B Primary and J.H.S. etc under the operation of the capitation grant within the Oforikrom sub-metro. Stakeholders such as teachers, headmasters, parents and some inhabitants within the sub-metro of the study area were also covered by the scope of the study. The research also covered the prospects of capitation grants to the development of the economy of Ghana.

1.9 LIMITATION OF THE STUDY

The main purpose of this study was to assess the effectiveness of the capitation grant on basic schools in Ghana. The researcher encountered a lot of problems which included lack of cooperation from the respondents during the data collection period. Some of the respondents were not prepared to give the needed information on the topic, whereas others too especially the parents lacked adequate knowledge and information on capitation grant. The researcher at times had to explain the concept of capitation grant to them before administering the questionnaire. There was no reason to believe that their effects were so serious to affect the validity of the data collected.

1.10 ORGANIZATION OF THE STUDY

The study comprises five chapters. Chapter one constitutes the introduction, which covers the background, the statement of the problem, objectives of the study, relevance of the study, methodology and the scope of the study. Chapter two envisages the literature reviews relevant to the study. Chapter three provides a detailed account of the methodology relevant to the research work. Chapter four involves the entire analysis of the project. Chapter five provides an overview of the whole project, indicating the main findings and drawing conclusions to form the basis for recommendation

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

This chapter presents the review of literature that is relevant to the topic under research. It provides the theoretical and empirical framework for the study.

2.1 THEORETICAL LITERATURE REVIEW

2.1.1 HUMAN CAPITAL AND DEVELOPMENT.

This section is devoted to the theoretical review of education financing by governments in an attempt to improve the human capital development of countries necessary to engender growth.

A gamut of arguments by various scholars and economists have been propounded to underscore the need for the human capital of countries to be improved basically through education to help train academicians with down to earth knowledge of disciplines to make countries develop.

According to Iheoma (2012), human capital development refers to the ability and efficiency of people to transform raw material and capital into goods and services, and the consensus is that the skills can be learned through the educational system and sustained through an effective health care delivery system. Thus, human capital development is important for economic development for its intrinsic value as a development goal in its own right, not only because of its instrumental value. Again,

Schultz (1993) defined human capital as a key element in improving a country's assets and citizens in order to increase production for the sustenance of the competitive advantage in a globalizing world.

Marimuthu, Arokiasamy and Ismail (2009), further argued that, human development is ascribed to the concepts and processes relating to training, education, health care and other professional initiatives designed in order to increase the level of knowledge, skills, abilities, values, and social assets of an individual which will lead to the individual's satisfaction and performance toward sustainable economic development of the country.

However, Barney (2005) explained human development as an important contribution input to many economies specifically for citizens' continuous improvement on their knowledge acquisitions, skills, life expectancy, and abilities to innovate. Thus, the definition of human capital development is referred to as the knowledge, skills, competencies, and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being. The constantly changing global economic environment requires economies to strive for superior competitive advantage via dynamic human development plans which incorporate creativity and innovativeness. This is essentially for their long term sustainable development. Undoubtedly, human capital development plays a significant role in enhancing economic growth and competitiveness, thereby, making it imperative to understand the contribution of social expenditure in enhancing its development.

The human capital theory derives its root from the celebrated work of Schultz (1963). Schultz, an agricultural economist developed his idea of human capital in the early 1960s as a way of explaining the economic gains of investing in education and health to improve agricultural output. This argument was logically expanded to show the link between better education and improved productivity as a benefit for the whole economy.

Schultz further demonstrated that the yield from human capital in the US economy was larger than that from physical capital such as plant and machinery. This implies that in the absence of human capital, other factors of production would function sub-optimally. Becker (1967) developed this idea further explaining that expenditure on education, training and medical care would ultimately all be considered as investment in human capital. According to Becker, they are called human capital because people cannot be separated from their knowledge, skills, health or values in the same way they can be separated from their financial and physical assets. Endogenous growth theory economists have stressed the fact that improvements in national productivity can be linked to a faster pace of innovation and investment in human capital. The proponents of endogenous growth have stressed the need for government and private sector institutions to invest massively in health and education so as to nurture innovation, and provide incentives for individuals to be inventive. The central theme of the theory is that investment in human capital is an essential ingredient of growth (Amakom, 2010).

According to Ehrlich and Murphy (2007), the concept of human capital as an intangible asset is perhaps best defined as a stock of embodied and disembodied knowledge, comprising education, information, health, entrepreneurship, and productive and

innovative skills that are formed through investment in schooling, job training, and health as well as through research and development projects, and informal knowledge transfer.

From the perspective of classical economic theory, human capital considers labour as a commodity that can be traded in terms of purchase and sale. This classical theory very much focuses on the exploitation of labour by capital. However, unlike the meaning traditionally associated with the term “labour”, human capital development refers to the knowledge, expertise, skill, and health one accumulates through education, training and health care. Emphasizing the social and economic importance of human capital development, Becker (1993) noted that the most valuable of all investment is that made on human being. Becker considers education, training and health care to be the most important investment in human capital.

Human development is the ultimate objective of economic development. It is also arguably the best means available for promoting development. Viewed as an end in itself rather than as a means, human development is about enriching human lives. Material enrichment – producing a larger volume of goods and services may contribute to this but it is not the same thing. Indeed it is by now widely understood that there is no one-to-one correspondence between material enrichment (measured, say, by gross national product per head) and the enrichment of human lives (measured, say, by the human development index). The human development approach thus implies the dethronement of national product as the primary indicator of the level of development. The stock of human capital consists of the knowledge, skills, experience, energy and inventiveness of people. It is

acquired in a variety of ways: through training and apprenticeship programs, while on the job through learning by doing, in the formal education system, through informal contacts by word of mouth, through newspapers, radio and the information media generally, in institutions devoted to pure and applied research and through private study and reflection. The stock of human capital, like the stocks of physical and natural capital, will deteriorate if it is not maintained. Hence the importance of pre-natal and maternal care, school feeding and other nutrition programs, the provision of safe drinking water, public health and disease control measures, guaranteed employment schemes and the likes. It is now recognized that human capital plays a central role in the development process and this has heightened interest in the economics of education, health economics, labour economics and related sub-disciplines. It is important to note, however, that human capital is just one component of the stock of total capital (Griffin and McKinley, 1992).

In summary, the human capital theories are not without strengths and weaknesses. They derive their strength from the fact that they have successfully established a clear connection between health, education and economic growth as well as human development. Their weaknesses are that they are not well developed yet and possess great complexity in implementation.

2.1.2 IMPORTANCE OF EDUCATION.

Education is defined in Wikipedia as any act or experience that forms the mind, character or physical ability of an individual. It is helping someone learn how to think and how to

solve problems. That is, as people see training as given fish to someone, education on the other hand teaches one to fish. Armstrong (2006), defined education as “the development of the knowledge, values and understanding required in all aspects of life rather than the knowledge and skills relating to particular areas of activity”. Thus, the Global Partnership for Education remarked that Education is more than reading, writing, and arithmetic. To them “Education is one of the most important investments a country can make in its people and its future and is critical to reducing poverty and inequality”. To confirm the above statements, one can conveniently say that girls and boys, who learn to read, write and count will provide a better future for their families and countries. With improved education, many areas are affected positively. Thus education has the power to make the world a better place.

Education is therefore, essential for everyone because it is indispensable part of life both personally and socially. The importance of education is undeniable due to its positive effect on human life and people need to study because it is one of the means that can help people gain knowledge and enlarge their view over the world. Apparently, people may become more useful and civilized if they are better educated. Thus, when one cast his/her eyes around, one can see the vast difference between residential areas where the people are educated and that of areas where the people are illiterate. In comparing developed countries to underdeveloped countries one can easily understand the importance of education.

Without education, one can imagine how life would have been. Education plays important role in our society. Human civilization strives on education. As a matter of fact, everything we create today is based on the knowledge that we obtain throughout our

life by way of education. The technology we see nowadays which had resulted in the invention of equipment and other devices are the results of education. Countries with high rate of education have gone high in technology and countries with low rate of education rely on the developed ones for their technology. The main social objective of education is to complete the socialization process. The family gets the child, but the modern family tends to leave much undone in the socialization process. The school and other institutions have come into being in place of family to complete the socialization process.

Consequently, every child should be given the opportunity to learn and study because, the development of a country depends vastly on the standard of education and countries must do everything possible to improve its educational systems. Education gives people critical skills and tools to help them provide better for themselves and their families. Again, it helps people work better and can create opportunities for sustainable and viable economic growth now and into the future. Further, education helps fight the spread of HIV/AIDS and other diseases, reduces mother and child mortality and helps improve health. Education is very necessary for all of us and its implication and importance can be seen in every field of our life. Nations who gave importance to education in every field or sector in the country are ruling now. Have you ever thought why the 3rd world countries are suffering from poverty, unemployment and lower life standards? If not, think now. They are suffering because they have not invested in their educational infrastructure.

It is often said that, 'Knowledge is power'. Although there has always been a debate on this matter, the importance of education cannot be denied. The information we are constantly bombarded with, cannot be converted into knowledge without the catalyst

called education. In an economy where knowledge is the most valuable commodity a person and a country have to offer, the best jobs will go to the best educated - whether they live in the United States or India or China. - US President Barack Obama, Washington D.C. (July 25th, 2009). Thus, the importance of education is clearly emphasized through President Barack Obama's address. He clearly stated that education is extremely crucial for holding a good job and for making a flourishing career. On an average, educated people have more meaningful and interesting jobs than those held by uneducated people. They are usually in a position to make decisions at work. This results in higher job satisfaction which leads to a better quality of life. Education helps us with many things, but most importantly, it empowers an individual to think, question, and see beyond the obvious. Human beings are born with a natural tendency to question. Education is the best way to satiate our curiosity, without extinguishing the burning desire to learn and explore more.

2.1.3 EDUCATION REFORMS IN GHANA.

Education in its general sense is a form of learning in which the knowledge, skills and habits of a group of people are transferred from one generation to the next through teaching, training or research (Wikipedia). Education is also the key to creating, adapting and spreading knowledge but the gains in access to education have been unevenly distributed, with the poor seldom getting their fair share (World Bank, World Development Report, 1998-1999). Education, again, is fundamental to enhancing the quality of human life and ensuring social and economic progress (United Nation, 1997).

Education can add to value of production in the economy and also the income of the person who has been educated (Sen. 1999). Ensuring the right of education is a matter of morality, justice and economic sense (UNICEF, 1999).

Ghana's educational system has passed through many reforms as a result of attaining quality education and also making it accessible to every child in the country. Akyeampong (2007) stated that in 1957, when Ghana attained independence, the Nkrumah administration decided to make education open to all. To make education accessible to all children in Ghana, these legislation and policy initiatives include the Ten year plan for educational development (1946), Accelerated Development Plan (1951) and the Education Act (1961) were implemented. The Accelerated Development Plan introduced a six year free and compulsory basic education, which resulted in a massive increase in primary enrollment (Create, 2008). Though the policies mentioned worked to some extent, they could not yield much as expected in the educational system.

In the early 1970s, a committee was set to recommend reforms in the educational system of the country. This committee was chaired by Professor N. K.Dzobo of the University of Cape Coast. The committee concluded that primary education should be six years, three years Junior Secondary School and four years Senior Secondary School making pre-tertiary to be thirteen years. This reform reduced pre-tertiary education from seventeen years to thirteen years. The reforms abridged the time spent by students in school and in turn reduced the net expenditure on students by the government. Also, courses such as technical and vocational skill introduced were designed to provide students with practical skills that can equip them to become self employed and also fit into any existing establishment.

However, the policy did not work as expected due to the following problems associated with its implementation; most teachers did not know much about the subject areas, resources to support teaching and learning activities were not sufficient in the schools. By 1970, Ghana had one of the most highly developed education systems in Africa (World Bank, 2004). Gross enrolment ratios increased dramatically, 60% of teachers in primary schools were untrained, and the Ministry of Education (MoE) projected that, the late 1970s and early 1980s, however, saw a sharp economic decline and the real value of government financing for education fell sharply from 6.4% of GDP in 1976 to 1.4% in 1983, and resulted in a near collapse of the education system and this affected the educational system in the country leading to decline in enrollment. By 1983 access to basic education and other levels of education were at their lowest (World Bank, 2004).

To address the issues emanating from the reforms, force successive governments to pursue policies aimed at expanding basic education access. In the year 1987, another new educational committee was implemented which was chaired by Dr.E .Evans-Anfom of the university of Education, Winneba. The policy decision on the new structure was based on an earlier Government White Paper entitled The New Structure and Content of Education (MoE, 1974). The committee changed the structure of the educational system from seventeen years to twelve years at the pre-university level. Thus six years primary, three years Junior Secondary , three years Senior Secondary education and a minimum of four years of tertiary education. The basic education level is supposed to be free and compulsory for every Ghanaian child of school –going age. The reform eliminated the middle schools system and then also the Common Entrance used for the selection of students into secondary schools was also replaced by the Basic Education Certificate

Examination (BECE). Subjects like agricultural science, pre –technical and pre-vocational skills were introduced as new curriculum contents by the reforms. The 1987 reform was very relevant to the development of the nation in that it would enable students to acquire training skills that would help them to engage in agriculture which is the backbone of Ghana to provide the needed raw materials to feed the industries and also provide adequate food for the nation. Inadequate funding of the education sector led to insufficient textbooks and other needed curriculum materials, lack of adequate supply of furniture and equipment. Also low patronage of the school system by children of school-going age and, insufficient trained teachers were among challenges that affected the smooth running of the programme.

The 1992 constitution of the Republic of Ghana under Article 25(1) guarantees that all persons shall have the right to equal educational opportunities and facilities and that basic education shall be free, compulsory and available to all. It was in line with this that the government of Ghana re-launched the policy of Free Compulsory Basic Education (FCUBE) in 1995 supported by the World Bank Primary School Development Project (PSDP). This programme was aimed at getting more children into school. As a cost-sharing scheme, the FCUBE was designed to cover non tuition fee and also a part of the document of the Fourth Republican Constitution designed to make education free and compulsory for all children of school going age in Ghana by the year 2005. Article 38(2) of the constitution states that “The government shall within two years after parliament first meets after the coming into force of this constitution, draw up a programme for implementation within the following ten years, for the provision of Free, Compulsory, Universal Basic Education”.

The FCUBE has three primary components:

- Improving the Quality of Teaching and Learning: Activities focus on enhancing specific teaching skills through pre-service and in-service teacher training; improving teacher motivation through incentive programmes, promoting quality of students learning and performance through curriculum reviews and improved teacher–student interaction; provision of adequate and timely learning materials to all schools, improvement of teacher –community relationships.
- Improving Efficiency in Management; Activities focus on the re-organization and re-orientation of management practices in the education delivery system. Specifically, this component strives to improve the efficiency and effectiveness of management performance in the education sector. Activities address management reforms; discipline and accountability in schools, increased enforcement of effective teaching and learning; elimination of teacher absenteeism, lateness and building the morale of pre-tertiary personnel.
- Increasing Access and Participation; Activities are designed to ensure that there is total access and retention to all school – age children in the nine –year basic education programme, and all stakeholders participate fully in educational services/programmes within their localities. Activities involve expanding infrastructural facilities and service to enhance access; addressing issues of enrollment and retention for all school-age children; enhancing quality in the provision of educational services and facilities; ensuring good quality teaching through the setting of performance targets; encouraging all stakeholders to participate fully in educational services / programmes.

According to the World Bank (2004) report, two main areas of activity of the Primary School Development Project (PSDP) were identified:

Policy and management changes:

- i. increasing instructional time,
- ii. reducing students fees and levies,
- iii. improving skills and motivation of head teachers,
- iv. community involvement in the selection of head teachers,
- v. providing orientation for district officials and community leaders,
- vi. supporting to school supervision and
- vii. conducting school mapping.

Investment in physical infrastructure:

- i. construction of classrooms,
- ii. construction of head teachers' housing,
- iii. provision of roofing sheets. Communities were to be responsible for building the external cladding" walls for pavilions constructed by the project (World Bank, 2004. P 26).

Despite the initiative, the FCUBE programme met with several problems and management weaknesses have undermined its impact which included poor supervision both at system and school levels (Fobih et al, 1999). Levine (2011) notes that nationwide, about 40% of six years old are not in school. This falls to 'about 10% by age 11. Above this age those who have not enrolled are unlikely to ever enroll'.

Another committee was inaugurated in 2002 by the then President, John Agyekum Kuffour to review the educational system in Ghana to suit the current challenges. Professor Jophus Anamuah-Mensah, Vice-Chancellor of University of Education was tasked to head the committee. The Anamuah-Mensah Report recommended similar structure of education just like the Evans –Anfom Report of 1986. The difference was the inclusion of two years of kindergarten education as part of basic education and apprenticeship training for Junior Secondary school leavers who are unable to continue in the formal sector. The committee maintained the three year senior secondary school but the government decided to extend it to four years and renamed the educational system Junior High and Senior High to replace the existing Junior Secondary and Senior Secondary Schools. This was to ensure that students have adequate time to exhaust the GES syllabus and prepare adequately for the West African Senior School Certificate Examination.

The Anamuah-Mensah Committee's recommendation directly informed further education reforms in 2007 (Osei et al, 2009). Hence, the new government of the National Democratic Congress reversed the four year Senior High School to three years. The entire basic education will continue to be free and compulsory and will receive highest priority of all sub-sectors. The overarching goal is to reach 100% completion rates for both males and females at all basic levels by 2015 and also to achieve a 100% net enrollment ratio. To achieve this objective, capitation grants, among other policies are key policies driving these objectives.

Many school –going age in most Sub-Sahara African do not get access to education in spite of numerous international efforts to get all school going age in school, especially

basic education in Sub-Saharan Africa. The 2010 Millennium Development Goals reports indicated that the world was likely to miss the target of the MDG on education for the reason that the education related indicators were far below the targeted values. The decision to achieve education related MDGs by the target date of 2015 is unpredictable in the sense that, the rise in primary enrollment is not sufficient. To achieve the education related MDGs by the target date, all children within the official entry age of primary school would have had to be enrolled in school by 2009 (UN, 2010 p.17). As of 2008, one out of four primary school-age children was out of school in Sub-Saharan Africa. This shows that, the net enrollment ratio in primary schools of Ghana gives some mixed results. For instance, while the net enrollment ratio as of 2009 (88.5%) was higher than the benchmark of Sub-Saharan Africa (76%), the net admission ratio (72%) of over the same period was lower than the average for Sub-Saharan Africa (Ministry of Education, 2009, UN, 2010). This trend shows retrogression in Ghana's drive to achieve the MDGs.

2.1.4 EDUCATIONAL FINANCE IN AFRICA AND GHANA.

Governments around the world, especially in Sub-Saharan Africa have recognized the importance of education for economic and social development and therefore are investing large shares of their budget in it. The world having realized the importance of education and the need to get all children to school drew delegates from 155 countries, as well as representatives from some 150 organizations and they approved at the World Conference on Education for All (EFA) in Jomtien, Thailand in 1990 to universalize primary education. They identified several goals, including universal access to primary education

for every child, improved access to early childhood care and development programmes and the reduction of adult illiteracy through access to quality education as found in the EFA goals 2, 5 and 6 (UNESCO-UIS, 2000). However, it has been established that since the Jomtien conference, a lot of children still remained outside the classroom and ‘of the 113 million children out-of-school in 1998, 42 million lived in sub-Saharan Africa’ (UNESCO-UIS, 2000 p.9) Although efforts continue to be made towards achieving Education for All (EFA), progress has not been impressive especially in Africa countries where most of the out of school children live. Grade repetition and children leaving school at an early age are very common, teachers are often absent from classroom, many children learn much less than the learning objectives set in the official curriculum (Lockheed and Verspoor, 1991; Harbison and Hanushek, 1992; Hanushek, 1995; Osei-Fosu., 2010)

A decade after Jomtien, most developing regions including Eastern Europe and Latin America made marked progress in improving enrollments rates (Rosensweig, 2002). The worldwide rate of primary school completion had risen from 73% in 1990 to 81% in 2000 (Bruns et al, 2003, World Bank, 2003). However, Sub-Sahara Africa achieved only modest gains over the 10-year period. The region had improved its primary completion rate by only 5% from 50% to 55% per year (Ampratwum et al, 2010). In 2000, ministers of education from Africa countries and other development agencies met in Dakar to hold education forum. Having realized the state of education in Africa almost a decade after the Jomtien conference, reaffirmed that education is a basic human right and therefore committed themselves to remove all barriers that hinder African children, youth and adults from having access to quality education and the attainment of the goals of the

Jomtien Declaration on Education for All. In line with this, the Association for the Development of Education in Africa (ADEA) in 2007, most African countries including Tanzania, Kenya, and Ethiopia have taken various measures to remove all barriers to education so as to make it accessible to every child in Africa and the most significant measures were taken to ensure that school fees are abolished at the basic school level (ADEA, 2007).

This supports the fact that education is indisputably the key to successful life and that is the reason why the government of Ghana is making sure that children of school going age have access to free and quality education in the country. Cost of education has been identified to represent a significant proportion of the income of most Ghanaians who are living in abject poverty. A number of studies show that household income is essential to determining a child's access to education. It informs the decision to enroll, attendance and the decision to drop out of school (Birdsall, Levine, Ibrahim. 2005; Bruneforth, 2006; Colclough, Rose and Tembon. 2000; and UNESCO, 2010, UIS).

Graham (1971) stated that in the late 18th century and throughout the 19th century countries such as Holland, Denmark, and England were already running schools in the Gold Coast and children of wealthy African merchants on the coast and relatives of some of the important local chiefs were instructed. Monthly contributions from the salaries of European men at the Cape Coast Castle created the "mulatto fund" from which some financial support for children was drawn. Graham also stated that though irregular, overseas officials also sponsored the education of some African children who travelled to European centers of learning to be schooled. However, he pointed out this type of sponsorship was not on a regular basis. As much as this was impressive, overseas training

for African students was limited to the very few. As Graham noted, even in the castle schools that provided basic education, company support was limited often compelling the chaplain ‘turned teacher’ to resort to innovative means of fund-raising to support teachers, pupils and the schools.

This is the checkered history of educational financing in the then Gold Coast until the dawn of independence when educational policy became more connected to development policy

In Sierra Leone, a bill titled ‘The Education Act, 2003’ (cited in Save the Children, Oxfam, & Action Aid, 2009) was an act to reform the education system. This bill focuses on the right to education of individual and the mechanisms to ensure that these rights are achieved. An example is the free compulsory basic education. In addition to the HIPC funds and funds allocated on a quarterly basis to the Ministry of Education, Science and Technology (MEST), the World Bank approved a loan of 41 million United States Dollars for the Rehabilitation of Basic Education Programme (REBEP) of the MEST rehabilitation for example, of infrastructure because of the eleven years of civil war that saw schools and other educational institutions being unfortunate targets for destruction.

Abolition of school fees especially at the basic education level has been adopted by many countries as one of the key policy interventions for influencing education outcomes. Fees charged at schools especially public schools, have been identified as one of the main barriers to education access especially among the poor, orphaned, and vulnerable children within societies (USAID, 2007).

Abolishing school fees, although identified to have a positive effect on enrolment, may have a negative effect on the quality of education (USAID, 2007). The increase in enrolment figures following school fees abolition is more likely to overwhelm the available supply of schools, teachers, and education materials available within schools. In Malawi for instance, after the abolition of school fees, the ratio of pupils to classroom increased to 119:1, the ratio of pupils to teachers also increased to 62:1 and the ratio of pupils to text books increased to 24:1. Similarly, expenditure per-pupil fell approximately by \$12 per year for primary school students (USAID, 2007).

In most instances, the rise in enrolment figures resulting from school fees abolition is likely to increase the number of pupils per teacher or a phenomenal rise in the number of newly recruited and untrained or barely trained teachers. This is likely to affect the quality of teaching in the classroom. Evidence from Malawi indicates that elimination of school fees reduces the willingness of communities to provide voluntary support for local schools as local leaders interpret abolition of school fees as central government's assumption of full financial responsibility. Voluntary community support is a very important contribution to schools especially in the rural and deprived communities.

2.1.5 THE CAPITATION GRANT POLICY IN GHANA.

The Capitation grant is one of the measures the MoE and the GES have taken to increase access to quality education as indicated in the Education Strategic Plan (ESP), 2003-2015. During 2004/2005 academic year, the capitation grant scheme was introduced and initially piloted in 40 districts with a World Bank funding. The cost of money involved in the initial piloted year was GH¢2,850,000 (MoE, 2006). The unit cost per pupil for primary and Junior Secondary schools in 2006 in Ghana were GH¢ 94.41 and GH¢

158.41 respectively (Kuunyangna, 2010). During the pilot phase of the policy, beneficiary schools received an amount of GH¢ 2.50 per every male child enrolled and GH¢ 3.50 for every female child enrolled (Dawuda, 2010). The 40 districts under the pilot phase were selected through a nationwide assessment exercise that was taken to identify the most deprived districts for additional funding. The assessment was based on the following elements;

- Input criteria: number of core books per pupil, number of seating places per pupil, percentage of qualified teachers, per student budget at primary level.
- Achievement criteria: success rate in the Basic Education Certificate Examination for English and Mathematics.
- Access criteria: Gross Enrollment Ratio and percentage of girls enrolled.

The last element was very important in the capitation grant policy because it puts more emphasize on the enrollment of girls by allocating more funds per girl than per boy.

The grants were given to the schools to relieve them from the revenue losses owing to the abolition of fees and other levies. A year after the implementation of the policy, the beneficiary schools in the pilot districts had 14.6% increases in enrollment. Additionally, gross enrollment rate of the pilot districts increased by nearly 5% compared to an average increase of 0.2% in the non pilot districts. The overwhelming increase in enrolment figures in 2004 following the implementation of the capitation grant policy in the pilot districts led to the nationwide implementation of the policy in 2005 (World Bank and UNICEF, 2009, MoE, 2005). A year later, (2005\2006), it was extended to cover all basic schools in the country with the government providing the funds due to its success during

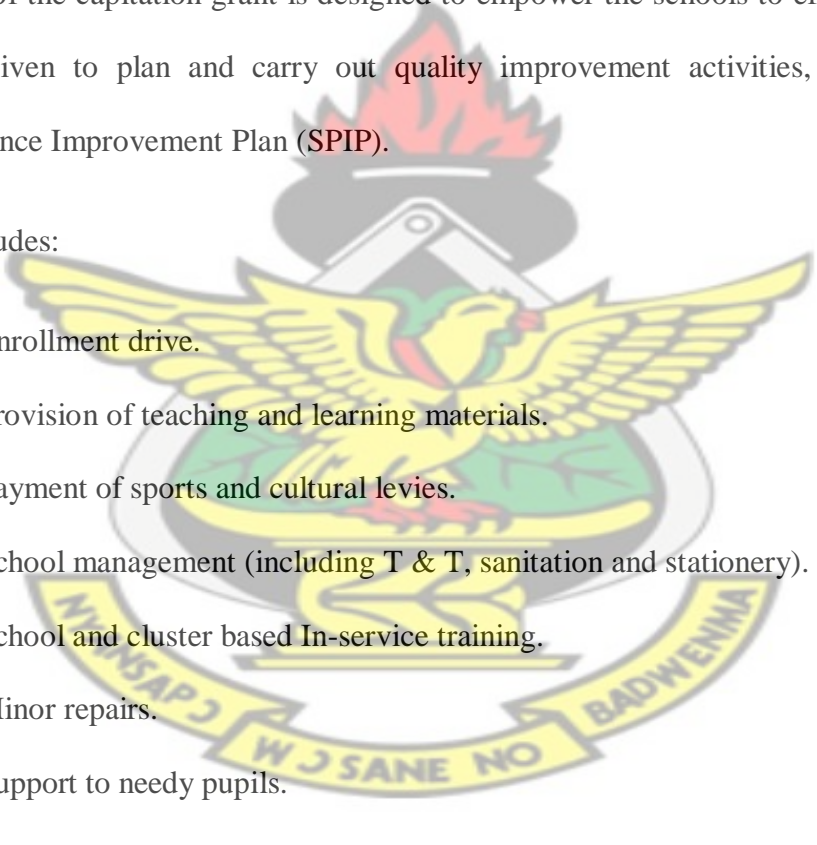
the pilot phase. Each public school in the country receives an amount of GH¢ 3.0 for both males and females per each pupil per each academic year.

In 2009, the Capitation Grants were reviewed upward from GH ¢ 3.0 to GH ¢ 4.50. Therefore, all public basic schools in Ghana now receive Capitation Grant of GH¢ 4.50 per every child enrolled per year.

2.1.6 CRITERIA FOR SPENDING THE CAPITATION GRANT.

The use of the capitation grant is designed to empower the schools to effectively use the money given to plan and carry out quality improvement activities, that is, School Performance Improvement Plan (SPIP).

This includes:

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- i. Enrollment drive.
 - ii. Provision of teaching and learning materials.
 - iii. Payment of sports and cultural levies.
 - iv. School management (including T & T, sanitation and stationery).
 - v. School and cluster based In-service training.
 - vi. Minor repairs.
 - vii. Support to needy pupils.
 - viii. Community and school relationship.

The SPIP is to be prepared by the Head teacher and the staff to cover the whole academic year, but broken down into terms. The school management committee approves and oversees the implementation.

The SPIP is taken to the District Director of Education for review to ensure that the activities stated are in line with the Education Strategic Plan and other priority areas of education. The district education office is expected to compile the enrollment figures and report to the central ministry of education. The central ministry then disburses funds to the districts based on the figures given to them. Upon approval, the district offices then deposit the funds into the schools' bank account and the school heads are responsible for spending and tracking the funds appropriately. The district accountants are to keep proper records of all transactions for all funds received and transfer them into the schools' bank accounts, and provide financial and other information required by management. The circuit supervisor provides the day-to-day supervision on the implementation of the SPIP. The School Management Committee (SMC) is expected to help the school head teachers to complete the task.

2.1.7 MANAGEMENT OF THE CAPITATION GRANT.

- i. A Special Bank Account for capitation grant is opened at the District level. Signatories are the District Director of Education and the District Accountant.
- ii. The District Director opens a separate bank account for every school into which the District pays the schools' share of the grant. The head teacher and his assistant head teacher are the signatories.
- iii. At school level the chairman of the SMC and the head teacher endorse requests for funds and they are jointly responsible for the efficient utilization of the funds in the best interest of the school and the attainment of the activities of the SPIP.

A Capitation grant Cash Book is maintained by the school for accountability \ auditing

Monthly and quarterly reports are expected to be sent to the District Education office by the head teacher and the chairman of the SMC. The District Director of Education (DDE) also reports quarterly to the Regional Director of Education (RDE) and Director-General (DG) on the operations of the capitation grant.

2.1.8 CHALLENGES OF CAPITATION GRANTS ON BASIC SCHOOLS.

Critics of the capitation grant argue that this strategy may not have the desired impact on the quality of education. Most country experiences in school fees abolition raise questions about its impact on education quality. It is argued that when classes become overcrowded and when the meager resources provided through fees to schools (usually for learning materials) are no longer available, the result can reverse hard-earned gains and de-motivate teachers, parents and students. Enrolling children in school is one thing, but keeping them there (attendance) is the more important challenge. Furthermore, in most Sub Saharan African countries like Ghana, education quality is generally low to start with and any deterioration in the conditions of learning resulting from a surge in enrolment is likely to have a dramatic negative effect on completion and achievement.

Without doubt, free education is a necessary policy to help ensure that most children of school going age particularly the down-trodden and financially vulnerable in society have access to education. Nonetheless the costs of education at times appear quite costly for the poor to afford.

Encouraged by the achievements made in enrollment in primary education so far, the Government of Ghana in its White Paper on Education Reform (Nov. 2005), reviewed the target for the achievement of Universal Primary Education (UPE). The target which

was supposed to be due in 2015 is now to be achieved earlier in 2012. Historical evidence from countries which have achieved UPE suggests that the target may not be realistic as growth trends tend not follow such linear trends but slows down. As also mentioned in a paper from Destefano “History clearly indicates that the growth of public schooling proceeds very slowly and inequitable”. Data from 90 countries indicate that increasing enrollment from 50 percent to 90 percent requires, on average, 58 years. Clemens (2004, pp.13-14) asserts, “Reaching 95 percent enrollment by 2015 require historically unprecedented growth rates”¹¹. It can be safely assumed that it will take more effort and investment of resources to get the last 5 per cent of excluded children into school than it would take to move from 50 to 55 per cent enrollment.

In Tanzania for instance, the recent Uwazi study on the capitation grant makes the following conclusions: there was inadequate transparency around the capitation grant usage (Uwazi, 2010). Pilfering of education resources, misallocation as well as under-utilization and embezzlement of funds are some of the major glaring shortcomings highlighted by the recent government commissioned education tracking surveys. As such, corruption is one of the factors that have been identified to weaken the direct support to schools in Tanzania (Mushi, 2006). This means even when funds are available, the ability of capitation grants to empower pupils from poor households and marginalized schools largely depend on how efficiently they are used

A study conducted by the Ghana Centre for Democratic Development in 2010 showed that one out of six district directors indicated that their schools have no school

performance improvement plans (SPIP) which is a prerequisite for utilization of the grants. Furthermore, only 17 percent out of the districts who prepared SPIPs submitted them in time for approval. Other issues relating to the management of capitation grants reported in the CDD-Ghana study were weak monitoring and supervision, lack of transparency in utilization of funds and general consensus that the grants are inadequate in meeting the needs of the schools (CDD-Ghana, 2010). These issues are critical because the accountability systems outlined in the policy document appear to be ineffective.

An issue affecting the capitation grants policy is the emergence of informal examination fees in basic schools. Whilst abolition of school fees is still in force, it is a common knowledge that basic schools still charge examination fees and other forms of levies. Head teachers believe that the current rate of the capitation grants of 4.5 Ghana cedi is inadequate in meeting the resource demand of their schools. These issues were apparent in the CDD study. Although the Ghana Education Service is aware that schools charge fees, they are unable to prevent or stop those illegal fees. Indeed, charging children examination levies is likely to undermine the well-intentioned capitation grant policy in general. UNICEF and World Bank (2004) maintain that school fees and other direct and indirect costs of schooling represent a significant obstacle to enrollment, especially for the poorest and most vulnerable children. They therefore believe that abolishing school fees will make it easier and less costly for these poor households to enroll their children in school (UNICEF, 2005; World Bank, 2004). It must be emphasized that it is against this background that has necessitated this study to enable the researcher find out what has become a bane on the effective implementation of the capitation grant policy which by

every measure of convenience has the potential of helping the vulnerable and down-trodden in society to access basic education.

2.2 EMPIRICAL LITERATURE REVIEW

Osei et. al (2009) did a study on the effects of the capitation grant on education outcome in Ghana. The objective of the study was to assess the effects of the capitation grant on the Basic Education Certificate Examination (BECE) pass rates, gross enrollment ratios and the gap in examination performance of boys and girls. Using district level data over the period 2005-2007 and across the country, the study found that the capitation grant has not had any significant effect on the key educational outcomes, which are the pass rates, gross enrollment ratios and the gap in examination performance of boys and girls.

Osei-Fosu (2010) investigated the impact of capitation grant and school feeding programme on school enrollment, attendance and retention in Ghana. The paper used difference-in-difference method by comparing changes in enrollment, attendance and retention between, before and after, and between beneficiary schools and non-beneficiary schools. It also ran an OLS regression to find the impact of the programme on enrollment, attendance and retention for the 2001/2002 and 2008/2009 academic years. The result was that capitation grant had positive but not significant impact on enrollment. However, it did not have a significant impact on attendance and retention. It also found out that the school feeding programme had positive and significant impact on attendance, enrollment and retention.

Ekpe (2012) sets out to find out how the Ministry of Education in Ghana conceives quality education and policies and measures put in place in the Education Strategic Plan (ESP) to make sure that quality education is achieved following the abolition of school fees which led to increase in enrollment figures in basic schools. The study used primary data for the analysis. It reveals a gap between policy and practice where most of the policies meant to ensure quality education are not properly implemented.

Asante (2011) did a study on the impact of the Capitation Grant on enrollment of pupils in the basic schools in Ghana. Surveys of hundred respondents within 20 selected schools were captured in the Sunyani Municipality. The study revealed that the Capitation Grant has led to increase in the enrollment of pupils in the basic schools.

Kuunyangna (2010) also did a study on the challenges associated with implementing the capitation grant policy. The study sought to evaluate the implementation of the capitation grant policy of government and its sustainability. The study therefore examined the implementation bottlenecks of the Wa Municipality of the Upper West Region of Ghana. The study revealed that the basic expenditure needs of the schools were not being met by the capitation grant. The study also showed that the funds were not always released on time for disbursement. Moreover, the study indicated some lapses in the spending guidelines for the disbursement of the fund.

Yelkpieri and Bilikpe (2013) conducted a study to verify the disbursement of the capitation grant, the impact it had on enrolment and quality of teaching and learning and adequacy of the fund. The research design was a descriptive survey and the instrument used were structured questionnaire and interview. The study revealed that a negligible

proportion of the grant was allocated for improving teaching and learning. It showed positive effect on enrolment and retention of pupils in all basic schools. The study therefore recommended that the Ministry of Education, Science and Sport should review the accounting and documentation procedures for the disbursement of the year.

Dawuda (2012) also examined the impact of the capitation grant policy on access to and participation in primary education in Ghana. Data for the study was obtained from the World Development Indicators, UIS and Ghana Education Management Information System. The result showed significant improvement in enrolment following implementation of the capitation grant policy. The results also showed that the allocation of capitation grant was less equitable. The study therefore suggested, there should be modification in the capitation grant allocation formula to include three components: threshold grants, variable grants and bursary to children with special needs.

Abotsi (2013) did a study to find out the impact of the school feeding programme on school enrolment and attendance and on the academic performance of the pupils in the basic schools. The study used longitudinal study design. The study was carried out in sampled basic schools in the Asikum-Odoben-Brakwa District in the Central region of Ghana. Descriptive statistics was the main method used in the analysis. The study revealed that the national school feeding programme implemented in Ghanaian basic schools showed positive effects on school academic performance and enrolment but less remarkable impact on attendance over an extended period of 3 years.

Alhassan (2013), this paper was based on empirical analysis of whether the capitation grant and school feeding programme have really addressed disparity in enrolment and

attendance in basic schools in the rural areas in the Northern region. The data were collected through interviews, case studies and observations. The study found out though enrolment figures of both males and females in the rural areas have increased, more males attend school than females. It was again found out that parity in enrolment and attendance is not sustainable in the rural communities.

Schultz (2003) used randomized of programme phase in to examine the impact of the progresa programme in Mexico, the programme provided cash to families who send their wards to school. It was revealed that, there was an increment in enrolment of all students in grades 1 through 8, particularly among girls who had completed grade 6.

Vermeersch and Kremer (2005) examined the effect of school meals on school participation in Kenya and found out that school participation went up in Kenya, preschools where breakfast was introduced than in comparison to schools where there were none.

However, the core reason why the capitation grant policy was implemented has not been delved into. Parents are made to pay school fees and other charges. The question now is, has the capitation grant really achieved its basic aim? A lot of researches have been undertaken on the impact of the capitation grant on educational outcomes. Much has not been done on challenges and prospects of the policy. The researcher therefore saw it the need to find out challenges and prospects of the capitation grant in Ghana.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter is designated to the methodology and justification of each selected method in the study by the researcher to collect and analyze data gathered. It also takes into account the research design, sampling techniques, sample size and data instrumentation, as well as the data analysis.

3.1 Research Design

The study basically was a case study one. In view of this, the study basically made use of primary data. It should be mentioned that the study entailed both qualitative and quantitative analyses. The main qualitative analyses that were adopted for the work were summary statistics of the variables used in the estimation, the use of bar charts to reveal the prospects of capitation and to also find out why schools make parents pay PTA fees. The qualitative analysis was consolidated upon through the use of parametric analysis. For the purpose of this study, OLS regression model was used to reveal the challenges that impede the progress of the capitation grant. The z-values and the p-values were used for the evaluation of the model.

3.2 Data and Data Collection Instruments

The study gathered primary data randomly from 20 selected basic schools in the Oforikrom Circuit in the Kumasi Metropolis. The study purposively centred the data collection process on 200 teachers, parents, headteachers and education officers in the Oforikrom District. The study used surveys as the basic method of data collection. The major surveys techniques used by the study were questionnaires and face-to-face interviews. These techniques were used by the researcher for their overall importance of enabling the researcher to have a down to earth interaction with the respondents to be able to furnish the researcher with the basic information wanted for the study.

The questionnaires designed for this study basically contained closed-ended questions with options for responses provided for the respondents to choose from. Structured questionnaires were used to solicit relevant information from the respondents. The type of interview conducted for the study was a face-to-face interview, which was one-on-one. The interview was generally conducted around the first to the last research objectives of the study. The aim was to obtain as much information as possible for the study.

3.3 Sample Size and Sampling Method

The research study covered a sample size of 200 teachers, parents, education officers and heads of institutions in twenty selected basic schools in the Oforikrom Sub-metro. The researcher used the Oforikrom Circuit as the case study because like any other circuit in the region and the country as a whole, the circuit is made up of people from different tribal grounds and with different levels of income. As a result, the study found out that

using the Oforikrom Circuit would yield results for the study that any other district or circuit would provide. In short, the results that would be generated would not be different from the normal case, all other things being equal.

The study also centred on the 200 purposive sampling size because of the high level of financial constraint that the researcher had to contend with. It should be mentioned again that research of this nature requires heavy amount of financial resource to be able to get the useful data for the analysis. In the process of data collection, some respondents may prove quite problematic and may even demand some financial tokens before availing themselves for interviews and questioning. Consequently, the researcher concentrated on this stipulated sizeable figure to be able to do a good research.

As already indicated, the sampling technique adopted for the purpose of the study was purposive sampling method. For this sampling method, not all the basic schools in the Oforikrom sub-Metro had the chance to respond to the questionnaire, but the study identified the respondents through the education office to have a firm grip of the amount the institutions received in the sub-Metro around Kotei, Ayeduase, Oforikrom, Ayigya, Bomso e.t.c. For the purpose of obtaining data from the basic institutions at the designated areas, purposive sampling was therefore adopted.

3.4 Data Analysis

The data gathered by the researcher on the selected schools were edited and coded. In the coding, '1' and '2' were assigned to the 'Yes' and 'No' responses respectively. All the qualitative data from the open-ended questions were, however, read and the responses

were taken and organized into themes. After the coding, the quantitative data were fed into a computer programme known as the Statistical Product for Service Solution (SPSS). That is, SPSS version 16.0 was used to analyze the descriptive statistics of the study through the use of bar graphs and pie charts. Frequencies, percentages, means and standard deviations were also used to consolidate the analysis of the quantitative data.

The data for research question one were first of all coded as follows:

1= 'Yes' and 2= 'No' whereas the responses in the four point scale were coded as 1= 'Strongly Disagree', 2= 'Disagree', 3= 'Strongly Agree', through to 4= 'Agree'.

3.5 The Model Specification

The study adopted the OLS regression model to derive results for the analysis of the parametric aspect of the data gathered. To this end, the study used the incomes collected by the various schools to augment the grant paid through the capitation as the dependent variable. Following this, the study summarized the factors deemed to be the challenges confronting the successful implementation of the policy and for that matter the covariate or independent variables as development fund, provision of furniture, allowances for security personnel, inadequate stationery, and administrative expenditure.

The OLS regression model is presented in general as follows:

$$Y = F(\text{Devtfund}, \text{Pfur}, \text{Allowsec}, \text{Pstation}, \text{and Admexp})$$

where Y is the PTA dues proxied as the fees charged by the selected schools. Y thus captures the amount paid by parents as PTA dues and others to the schools on the pretext that the amount made available by the capitation policy is insufficient.

Pfur is the amount of the dues that goes into the provision of furniture, as the provision of furniture in the schools is noted to be a challenge. Pfur therefore embodies the provision of adequate chairs and tables for the pupils, as well as the provision of tables and chairs for the teachers and head teachers of the schools

Devtfund is the portion of the fees charged that goes into ensuring that development of facilities is ensured. Devtfund therefore entails the amount used for the renovation of facilities in the school and the building of new structures in the school. It should be stated that the heads of the basic schools collect the PTA fees under the presumption that the amount given from the capitation to each pupil is woefully inadequate to ensure that new facilities are put up and old ones are revamped. The researcher therefore included this as an explanatory variable to find out whether it constitutes a major contributing factor to why the schools collect the dues they collect from parents.

Allowsec as captured as another explanatory variable denotes the amount of the fees charged parents by the heads of the basic schools that goes into the payment of the allowance for the engagement of people for security purposes. The schools purport that among the factors that saddle them that necessitate the collection of the extra fees from the parents is the level of crime activities that go on at night in their schools. Following this position, they believe contracting the services of security personnel to guard the school at all times would help to reduce the spate of criminal activities that are occasioned in the schools, hence leading to the charging of extra fees from parents to enable the schools employ security personnel.

Pstation as used in the model captures the amount of the extra dues paid by parents that translates into the provision of stationery for the schools. It therefore includes the

provision of chalk, the provision of books for the teachers for preparing their notes in the event that the office ones do not come in time, provision of crayons, pencils and pens for the pupils.

Admexp is administrative expenditure. It is therefore the amount of money spent on education officers for the provision of drinks for them as and when they visit the schools to give in-service training and to supervise the teachers and the amount that the heads use for transportation to and from the education office when necessary.

The model is thus transformed into econometric model as below:

$$Y_j = \beta_0 + \beta_1 \text{Devtfund} + \beta_2 \text{Pfur} + \beta_3 \text{Allowsec} + \beta_4 \text{Pstation} + \beta_5 \text{Admexp} + \varepsilon \text{ for } j=1, 2, 3$$

Expected Signs of Coefficients of the Variables in the Model

The expected signs of all the coefficients in the model (i.e. Devtfund, Pfur, Allowsec, Pstation and Admexp) were expected to be positive.

3.6 BACKGROUND OF THE STUDY AREA

The Oforikrom sub-metro has 49 public basic schools. Some of the public basic schools include Oforikrom M/A J.H.S A and B, Ayeduase R/C Primary and JHS, Deduako M/A Primary and JHS and Appiadu R/C Primary and JHS. In addition, there a number of private basic institutions in the sub-Metro that helps to ensure that most students get access to basic education in the area. The private institutions include Christian Preparatory and JHS and African Child Preparatory and JHS. There is also a great deal of

prominent secondary and tertiary institutions in the Oforikrom sub-Metro. Examples of these schools are the KNUST, UCOMS, KNUST Senior High, to mention but a few.

KNUST



CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.0 Introduction

This chapter gives details of the data used for the research in the chosen area using both descriptive and quantitative methods. The study was concerned with assessing the effectiveness of the capitation grant to basic schools in Ghana. Descriptive analysis of the data for each specific objective was done, which was followed by regression results. To ensure orderliness of the analysis, each sub-section of the chapter was devoted to each research objective.

4.1 Summary statistics of the variables used for the study

This sub-section of the chapter highlights the descriptive statistics of the variables used for the study. It looks at the ages of the respondents, gender, average dues paid by the parents of the students. Table 4.1 therefore gives the summary statistics of all the variables used for the respondents.

Table 4.1: Descriptive statistics of variables for the respondents

Variable	Mean	Std. Dev.	Min	Max
PTA Dues	8.47	3.057041	3	15
Devtfund	8.44	3.051715	2	16
Pfur	9.63	3.986548	4	16
Allowsec	5.87	1.563754	3	9
Pstation	6.42	2.574244	2	13
Admexp	4.75	2.021865	2	10
Age	40.105	8.925373	22	67
Gender1	1.335	.4731749	1	2

It can be seen from Table 4.1 that the mean amount of PTA dues paid by the parents was GH¢8.47. The minimum PTA dues charged by the heads of the basic schools in the Oforikrom sub-Metro as reported by the table was GH¢3, whilst the maximum amount charged by a school was GH¢15. The table reports that the rate at which the mean PTA fees charged by heads of the selected basic schools is likely to deviate from the normal was 3.06. Table 4.1 also displays that the average dues charged by the schools to undertake developmental projects (Devtfund) was GH¢8.44. The highest development dues that the schools collected as indicated in Table 4.1 was GH¢16, whilst the minimum dues charged for the purpose of occasioning developmental projects in the selected schools was GH¢2. The rate at which an observation is likely to deviate from the mean

dues for development is recorded as 3.05. In the researcher's quest to finding out about some of the development projects the schools had put up or had been putting up, which called for the payment of development levy, a place for KG and nursery pupils to sit, a pavilion for food vendors to sit and sell food to the students, renovation of toilet facilities, were the common ones mentioned.

The core objective of the study was to find out why schools make parents pay PTA dues. One of the reasons assigned for this was noted to be the issue of furniture provision. As reported in Table 4.1, the mean rate of fees charged by the heads of the selected schools for the provision of furniture to create congenial atmosphere for teaching and learning (Pfur) was GH¢9.63, whilst the extent to which an observation is likely to depart from this mean value is given as 3.99. The minimum and maximum values are respectively given as GH¢4 and GH¢16. The table reports that GH¢5.87 was the average amount charged by the schools to ensure the provision of security personnel to patrol the schools (Allowsec), particularly in the night to ensure the safety of students and materials for teaching and learning. The minimum and maximum dues charged by the schools for security provision are GH¢3 and GH¢9 respectively. The degree of deviation is also shown as 1.56.

The mean age of the respondents as reported by Table 4.1 is 40.11, whereas the minimum and maximum ages are respectively shown as 22 and 67. The rate of deviation is 8.93. Table 4.1 reports that the average fees charged by the schools for the purpose of the provision of stationery such as books for the students (Pstation) is GH¢6.42. The minimum and maximum values of fees charged by the schools for stationery are

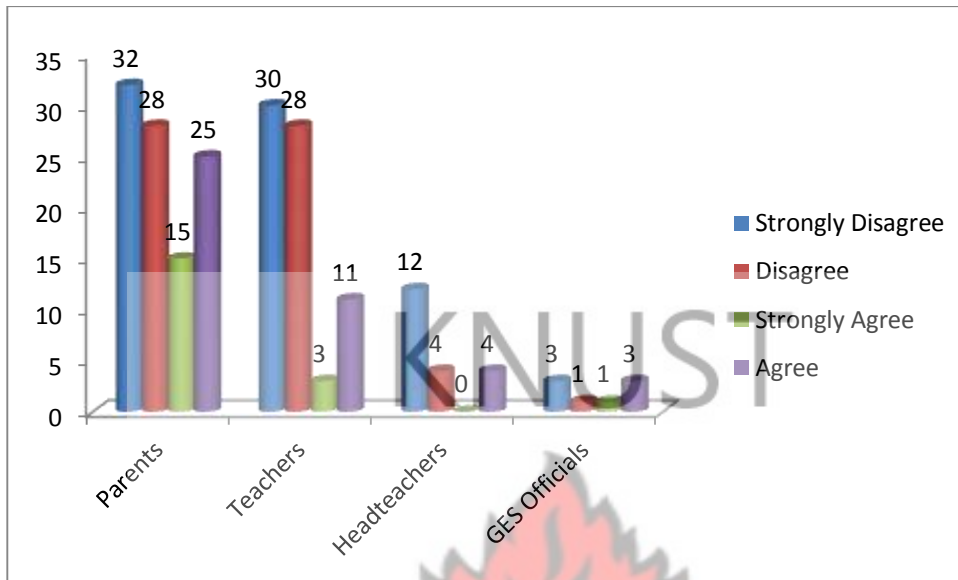
respectively given as GH¢2 and GH¢13. The rate of deviation from the mean is also shown as 2.57.

Aside the factors mentioned above which necessitate the collection of additional fees by the selected schools to complement the capitation grant, the schools also collect additional fees in order to take care of some administrative expenses (Admexp). The table reports that the average fees charged by the schools for administrative purpose is GH¢4.75, whilst the minimum and maximum fees are respectively given as GH¢2 and GH¢10.

4.2 Adequacy of the Capitation Funding

The researcher tried to find out from the respondents whether the amount given to each child is sufficient or not. In doing this, the researcher used a four ranking options running from strongly disagree, disagree, strongly agree through to agree. If majority of the respondents answered either strongly agree or agree, then it explains that the capitation amount to the students is enough to take care of their school expenses. If the answers skewed towards either strongly disagree or disagree, then it gave the indication that the capitation policy was not adequate enough to ensure that effective teaching and learning would take place. Figure 4.2 therefore gives the details of the analysis of the adequacy of the capitation policy.

Figure 4.1: Adequacy of the capitation policy from respondents



From Table 4.2, out of the total number of 100 parents that the researcher interviewed to find out the adequacy of the capitation funding, 32 of them answered that they strongly disagreed that the amount made available to students through the capitation grant is adequate to take care of all the basic necessities needed to ensure effective teaching and learning. Table 4.2 reports again that 28 of the parents also disagreed that the amount made accessible to each student at the basic education level was sufficient to ensure that teaching and learning could move on smoothly without any difficulty. However, 15 of the parents also strongly agreed that the policy amount per each student at the basic level was enough to ensure that effective teaching and learning could move on. Again, 25 of the parents emphasized that they agreed that the amount made available to students through the capitation policy was enough to provide effective teaching and learning to students at the basic education.

The researcher also found out from the teachers their views on the adequacy of the capitation grant to teaching and learning. Out of the total number of 72 teachers that the researcher interviewed to find out the adequacy of the capitation funding, 30 of them answered that they strongly disagreed that the ransom made available to students through the education policy is adequate to take care of all the basic necessities needed to ensure effective teaching and learning. It was found out that 28 of them also disagreed that the amount made accessible to each student at the basic education level was sufficient to ensure that teaching and learning would move on smoothly without any difficulty. However, 3 of the teachers also strongly agreed that the policy amount per each student at the basic level was enough to ensure that effective teaching and learning could move on. Again, 11 emphasized that they agreed that the amount made available to students through the capitation policy was enough to provide effective teaching and learning to students at the basic education.

The researcher proceeded to find out from the head teachers at the basic education level their opinions on the degree of sufficiency of the capitation policy. Out of the total number of 20 head teachers 12 answered that they strongly disagreed that the amount made available to students through the education policy is adequate to take care of all the basic necessities needed to ensure effective teaching and learning. Also, 4 just disagreed that the amount made accessible to each student at the basic education level was sufficient to ensure that teaching and learning would move on smoothly without any difficulty. However, none of the head teachers strongly agreed that the policy amount per each student at the basic level was enough to ensure effective teaching and learning. Again, 4 emphasized that they agreed that the amount made available to students through

the capitation policy was enough to provide effective teaching and learning to students at the basic education.

The respondents lastly included officers at the education office in the sub-Metro. As it is shown in Figure 4.2, 3 out of the 8 officers that were interviewed strongly disagreed that the policy amount is adequate enough to take care of all the materials that students at the basic level will need. Only one officer disagreed that the amount made accessible to each student at the basic education level was sufficient to ensure that teaching and learning could move on smoothly without any difficulty. However, one also strongly agreed that the policy amount per each student at the basic level was enough to ensure that effective teaching and learning would go on. Again, 3 officers emphasized that they agreed that the amount made available to students through the capitation policy was enough to provide effective teaching and learning to students at the basic education. Figure 4.2 therefore gives the details of all that said concerning the adequacy of the education policy.

By and large, it should be stated that the amount paid to each student under the capitation grant is not sufficient enough to be able to take care of all the basic educational expenses of the children at the basic level. There are no two ways about the fact that as human as we all, we cannot rule out the fact that we are not infallible as far as corruption and misappropriation of funds are concerned. There is therefore the greatest likelihood that some of the funds made possible through the capitation grant will pass through wrong hands. That notwithstanding, per the analysis given so far with regard to adequacy, it could be right to say that the capitation amount is not adequate to ensure proper teaching and learning at the basic level, and therefore something should be done about it.

The budget and revenue position (receipts) through the capitation grant of the selected schools are shown in Table 4.2 below. The figures given confirm the position that the capitation amount is not adequate. The amount per each student under the capitation grant was found to be GH¢4.50.

Table 4.2: Expenditure and revenue position of the selected schools

Schools	Total Enrollment	Total Receipt (in GH¢)	Total Expenditure (in GH¢)
1	154	693	2125
2	300	1350	3305
3	222	999	2543
4	174	783	2212
5	160	720	2278
6	450	2025	4398
7	230	1035	3456
8	430	1935	4069
9	423	1903.5	4513
10	457	2056.5	4845
11	187	841.5	2923
12	198	891	2998
13	303	1363.5	3987
14	214	963	2867
15	260	1170	2879

16	217	976.5	2876
17	158	711	2100
18	287	1291.5	2875
19	250	1125	2874
20	327	1471.5	3412

Table 4.2 gives details of the revenue and expenditure positions of the selected schools.

The table displays that the expenditure situation of the schools far outstrips the revenue made possible through the capitation grant. Normality will explain that the schools will need external source of financial push, hence the charging of various fees tagged PTA dues.

With regard to the timing of the capitation grant, the 20 headmasters that were interviewed expressed their displeasure about the time that capitation grant was released or made available to the schools. They answered that the grant was, most times, released to the schools at the tail end of the term, and at times even dove-tailed into the coming term. The teachers and education officers were also of the view that the time for the release of the capitation grant left much to be desired, and that it would be imperative if it could be released early enough to curtail or cut down the rate of extortions from the parents.

The researcher believed that if the government could put down measures that would ensure that the capitation grant was made accessible by the headmasters of the schools before the term ensues, it would go a long way to help.

4.3 The Degree of Necessity of PTA Dues for Schools

Having established that the capitation grant is generally not adequate to ensure that provision of all the basic materials needed to ensure effective teaching and learning is carried out based on the analysis done above, the researcher proceeded to have a look at what actually is the cause of the inadequacy of the amount made possible through the education policy. The researcher wanted to find out whether the insufficiency of the capitation grant was due to mismanagement or inefficient use of the fund, or it was simply because the policy amount was woefully inadequate. Figure 4.3 therefore provides details of the views of stakeholders on insufficiency or inefficient use of the capitation grant.

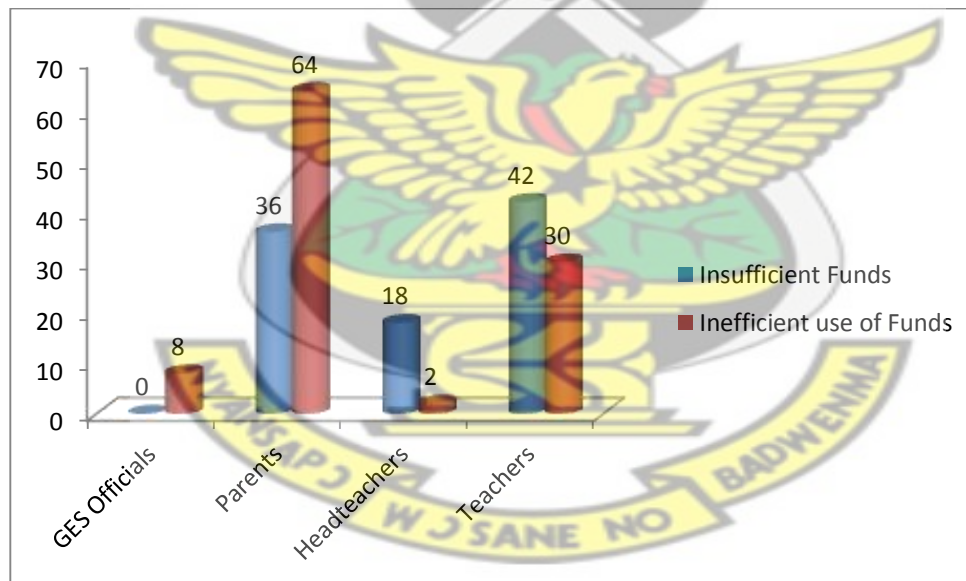


Figure 4.2 shows that all the eight (8) GES officers that were interviewed on the particular cause of the inadequacy of the capitation grant answered that it was due to inefficient use or mismanagement of the fund. They were of the view that if the current

quota or amount made accessible to students through the capitation policy were to be used judiciously, there would not be any need for any additional fees to be collected from parents. According to them, most of the head teachers inflated the prices of the items that they buy for the students just to optimize their own satisfaction or to suit their whims and caprices. Other head teachers do not spend the amount at all on the students and always grumble that the capitation have not been released to the schools. There is therefore the overarching need for tight monitoring and supervision to be carried out on the heads of the basic schools.

The researcher interviewed the selected parents to find out the root cause of the insufficiency of the capitation amount. Through the interactions with the parents it was divulged that 64 agreed that the amount made possible by the policy could have been sufficient enough to ensure that effective teaching and learning goes on but for the selfish desires of some of the head teachers. Only 36 of the 100 parents said that the policy amount was just inadequate to help their children. In the researcher's attempt to find out from the 64 parents what has brought about the lapses in terms of the mismanagement on the part of the head teachers, they attributed a greater chunk of the problem to the education officers. According to them the officers have failed in their capacity to carry out effective monitoring and auditing services on the head teachers, and that it is about time they started playing this role. The 36 parents, on their part, were of the view that the amount occasioned by the capitation policy was woefully inadequate to make their children perform well. According to them the onus lied with the government to increase the amount if she wanted the capitation policy to have the desired positive impact on the academic excellence of the students.

On the part of the head teachers, 18 out of the total number of 20 heads were of the view that the amount made available through the education policy was just nothing to write home about. In the eyes of these head teachers the current amount under the capitation grant should at least be doubled to enable it to have a great impact on teaching and learning, and to allow the policy to achieve the expected outcome. Again, they suggested that parents of the students should also be made to bear a part of the cost as far as the children's education at the basic level is concerned since the parents constitute major stakeholders of the children's education. In a knut shell, the head teachers agreed that the capitation amount was not sufficient to enable them to have any major impact on teaching and learning, hence the need for the parents to contribute something to augment the amount given through the capitation grant. Nonetheless, 2 of the head teachers were of the view that efficiency and proper management was the key. To them, the policy amount could be very sufficient to take care of the basic necessities of the children's education, but some of the heads do not economize the amount to achieve the needed results, hence the extortion of monies from the parents. The researcher found out from these two heads whether it was economically unwise for parents to pay some amount to undertake some of the activities and projects in the basic schools, they both answered that it would help to achieve the best form of results so it was in the right direction.

The researcher interviewed the selected teachers to find out the root cause of the insufficiency of the capitation amount. Through the interactions with the teachers it was divulged that 30 agreed that the amount made possible by the policy could have been sufficient enough to ensure that effective teaching and learning goes on but for the selfish desires of some of the head teachers. Again, 42 of the 72 teachers said that the policy

amount was just inadequate to help their children. In the researcher's attempt to find out from the 30 teachers what has brought about the lapses in terms of the mismanagement on the part of the head teachers, they attributed a greater chunk of the problem to the education officers. According to them the officers have failed in their capacity to carry out effective monitoring and auditing services on the head teachers, and that it is about time they started playing this role. The 42 teachers, on their part, were of the view that the amount occasioned by the capitation policy was woefully inadequate to make their children perform well. According to them the onus lied with the government to increase the amount if it wanted the capitation policy to have the desired impact on the academic excellence of the students.

At the instance of the interactions and series of interviews as well as probing questions the researcher used to elicit for information from the respondents, the researcher could deduce that the capitation grant though was not sufficient for the schools to ensure proper teaching and learning, most of the head teachers greatly contributed to the woefully inadequate nature of the grant. This is true in view of the fact that the head teachers were not periodically monitored by their superiors to ensure that they used the grant in the way expected of them. As a result, some of the head teachers resorted to the use of the capitation grant as their own hardly earned income. On the basis of this, the researcher would like to suggest that serious check on the activities of the headmasters as far as the spending of the capitation grant is concerned would be carried out by the education officers from time to time.

4.4 The Way Forward to ensure the Sustainability of Capitation Grant

This sub-section presents the prospects of the educational policy. The researcher found out from the 200 respondents what measures could be put in place to ensure that the capitation policy will always achieve its core mission of providing first class teaching and learning at the economically feasible cost, and more specifically to release parents and guardians from the burden of fee payment. The respondents were of the view that the major measures that should be instituted to ensure the effective functioning of the capitation policy are monitoring, early release of the capitation fund, involvement of teachers in the disbursement and allocation process by heads and strict adherence to or enforcement of the capitation guidelines. Figure 4.4 therefore presents analysis of the prospects of the capitation grant policy.

Figure 4.4: Prospects of the capitation grant

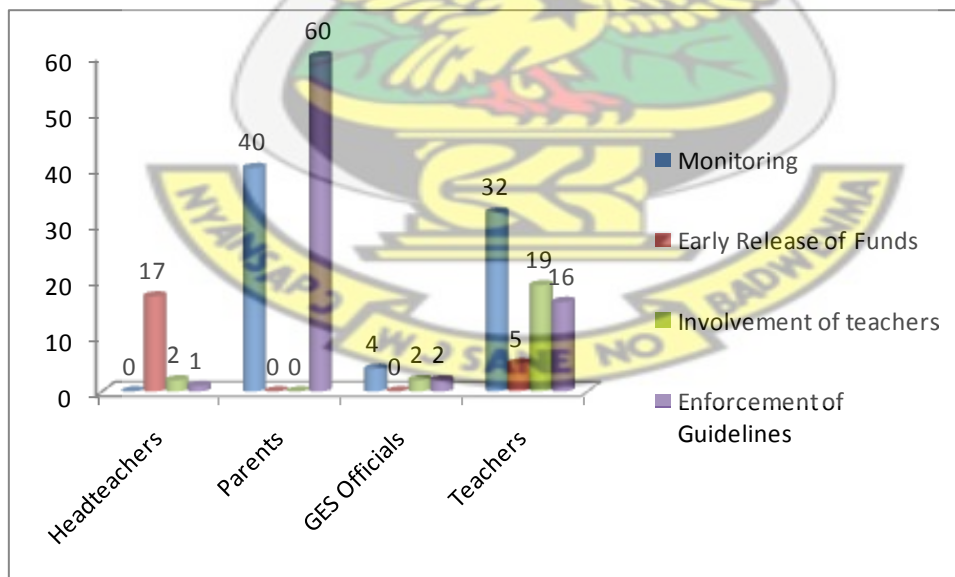


Figure 4.4 shows that out of the 20 head teachers interviewed, 17 were of the view that the time for the release of the grant was not good and that they suggested that the grant

should be released early to enable the heads use it on time. 2 of them suggested the involvement of the teachers in the planning process regarding how the fund should be disbursed and on what items to spend it. Only one head teacher proposed for the strict adherence to the guidelines regarding the disbursement processes of the capitation grant. None of the head teachers suggested effective monitoring and check on the activities of the head teachers by education officers.

From the figure, it is clear that 40 of the 100 parents interviewed proposed that there should be serious check and monitoring on the head teachers by the education officers to ensure that their activities or actions and inactions are devoid of serious financial misappropriation and allocation discrepancies. 60 parents suggested that adhering to the guidelines for the disbursement of the grant would contribute immensely to the prospects of the educational policy. However, no parent proposed the involvement of teachers in the disbursement process and the early release of the fund. According to the parents delay in the release of the grant was not problematic as the heads could make projections and devise ways by which whenever it would come it would still succeed in achieving the purpose for which it is given.

Figure 4.4 shows that out of the 72 teachers interviewed, 5 were of the view that the time for the release of the grant was not good and that they suggested that the grant should be released early to enable the schools use it on time. 19 of them suggested the involvement of teachers in the planning process regarding how the fund should be disbursed and on what items to spend it. 16 teachers proposed for the strict adherence to the guidelines regarding the disbursement processes of the capitation grant. 32 teachers suggested

effective monitoring and check on the activities of the head teachers by education officers, if the desired impact were to be achieved.

From the figure, it is clear that 4 of the 8 GES officers interviewed proposed that there should be serious check and monitoring on the head teachers by the education officers to ensure that their activities or actions and inactions are devoid of serious financial misappropriation and allocation discrepancies. Two of them suggested that adhering to the guidelines for the disbursement of the grant would contribute in no small way to the prospects of the educational policy. Again, two proposed the involvement of teachers in the disbursement process but none of them touched on the early release of the fund. According to the officers, delay in the release of the grant was not problematic as the heads could make projections and devise ways by which whenever it would come it would still succeed in achieving the purpose for which it is given.

4.5: Analysis of Regression Result.

This section analyses the reasons behind the payment of PTA dues by parents to the basic schools. Table 4.5 summarizes the relative importance of factors that precipitate the demand for PTA dues by heads of the selected basic schools.

Table 4.5: Regression results showing why schools make parents pay PTA dues

PTA Dues	Coef.	Std. Err.	t	P> t
Devtfund	.3483774	.074732	4.66	0.000
Pfur	-.1120947	.0578299	-1.94	0.054
Allowsec	-.6024312	.1281103	-4.70	0.000
Pstation	.3745542	.077075	4.86	0.000
Admexp	-.1598472	.0911393	-1.75	0.081
_ Cons	8.495075	1.396706	6.08	0.000

Prob> F = 0.0000 $R^2 = 0.3517$

The prime and overarching motive of the study was to find out the challenges of the capitation grant policy, and to establish why schools make parents pay PTA dues and other charges, which are in contravention of the guidelines of the educational policy.

Table 4.5 shows that there is a positive significant relationship between the PTA fees paid by parents to support the capitation grant and the level of development. This implies that as the degree of facilities of development increases, it reflects positively in the amount of money collected by the school authorities as PTA fees. In simple terms, an increase in the rate of development of the school will lead to an increase in the PTA fees paid by the parents. The sign here met the a priori expectation of the researcher, as an increase in the pace of infrastructural facilities, all other things being equal, will lead to an increase in PTA fees. The implication is that government has neglected and overlooked its social responsibility of providing adequate infrastructural facilities for the schools to promote effective teaching and learning. Consequently, in the head teachers

attempt or quest to providing these facilities for the schools would mean that parents and guardians of the students would have to foot the bill, hence the collection of the PTA dues. Government should therefore try to help in this direction. This will immensely help to cut down on the rate of burden on the parents as far as payment of heavy PTA fees is concerned, all in the name of engendering development in the schools. The result shows that a .3483774% increase in the rate of facilities development will lead to a 1% increase in the PTA fees paid by parents.

The results further show that there is a significant positive relationship between the PTA fees charged by the schools and the provision of stationery for the students. This means that as the provision of stationery for the students and/or schools goes up, the amount parents are made to pay as PTA fees also goes up. This sign met the a priori expectation of the study. This means that as the provision of such materials as reading books, chalk, crayons, just to mention a few goes up, it is expected that it will lead to an increment in the PTA fees that parents are required to pay. The implication is that government, philanthropists and/or NGOs should endeavour help to provide stationeries or materials that are essential to teaching and learning at regular time intervals to curtail the situation where parents are made to pay money for such things, as the government appears to have relented in its provision in this area. The magnitude of change is that a .3745542% increase in stationery provision will lead to a 1% increase in the PTA fees exacted from the parents.

The result shows that there is a negative significant relationship between the allowance for security and the PTA fees parents pay. This means that an increase in the amount collected as security allowance, leads to a reduction in the PTA fees paid by the parents.

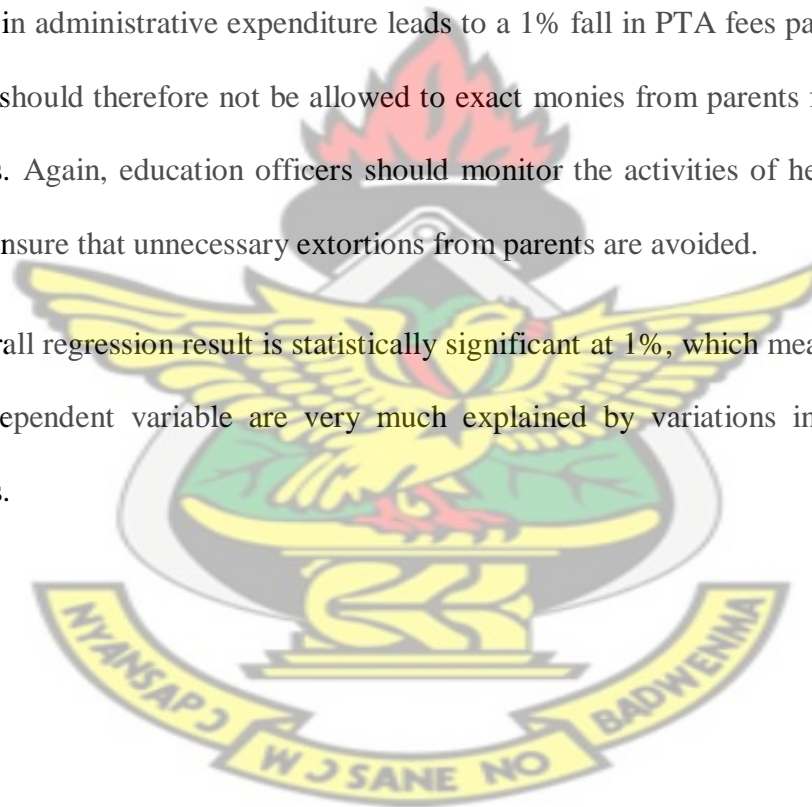
The sign here did not meet the a priori expectation of the study. Perhaps, an increase in PTA fees concurrently with an increase in security allowance paid by the parents will make the parents become agitated and kick against the payment of either the security allowance or the PTA fees. Consequently, when there is an increase in the allowance meant for the provision of security increases, there is a fall in the amount paid as PTA fees. In effect, the reduction in the PTA fees following an increase in the allowance for security will make parents not complain but to continue to pay the PTA fees. The result shows that a .6024312% increase in the allowance for security, leads to a 1% fall in the PTA fees parents pay. The policy implication is that the policymakers and facilitators of education at the basic level should ensure that security personnel are employed to work in the basic schools, just as security personnel are employed in the second cycle institutions. This will lead to a reduction in the financial obligation of the parents of students at the basic level, and help to provide permanent employment for some people, helping to reduce the rate of unemployment in the country.

The result also shows that there is a negative relationship between the provision of furniture and the level of PTA fees paid by the parents. This relationship is significant at 10%. This means that as the amount parents are required to use towards the purchasing of furniture for their wards increase, there is a reduction in the PTA fees charged by the schools, perhaps to lessen the financial burden on the parents. The sign did not meet the a priori expectation of the study. The result shows that a .1120947% increase in the amount meant for the provision of furniture for students, leads to a 1% fall in the PTA fees parents pay. The government can therefore employ carpenters for the schools, whose work will be to manufacture the furniture needed by the schools and to also repair faulty

or damaged ones. This will lessen the burden on parents and also cut down on the rate of unemployment that the country is saddled with.

The results also show that there is a negative relationship between the PTA fees paid by the parents and the administrative dues. This means that an increase in administrative levy leads to a reduction in the PTA fees paid by the parents. The sign here also did not meet the expectation of the researcher because an increase in administrative levy is required to increase the PTA fees paid by the parents. The result shows that a .1598472% increase in administrative expenditure leads to a 1% fall in PTA fees paid by the parents. Schools should therefore not be allowed to exact monies from parents for administrative expenses. Again, education officers should monitor the activities of heads from time to time to ensure that unnecessary extortions from parents are avoided.

The overall regression result is statistically significant at 1%, which means that variations in the dependent variable are very much explained by variations in the explanatory variables.



CHAPTER FIVE

CONCLUSION, SUMMARY AND RECOMMENDATIONS

5.1 Introduction

This chapter concludes the whole study. The chapter presents the conclusion, gives summary of the findings of the research and provides the necessary policy recommendations.

5.2 Summary of Key Findings

The researcher, through the study, found out that parents are made to pay monies in disguise of PTA fees to enable the schools finance the activities and projects of the schools, which the capitation grant does not take into account. The main findings that emerged from the study are summarized as follow:

1. The study found out that one of the major causes why the schools make parents pay PTA dues is the need for development to take place in the schools. The study found that PTA fees charged by the heads of the selected schools is positively and significantly related to the development fund parents are made to pay to supplement the amount made available by the capitation grant policy. This implies that as the amount of money tagged as development levy increases, it leads to a positive significant increase in the amount charged as PTA dues. Government should therefore increase the capitation amount per student to be able to take of some basic development projects in schools. Members of parliament should also ensure that a

- quota of the Common Fund allotted to each district will be channeled into the provision of facilities needed by especially basic schools in their districts.
2. The study also revealed that the PTA dues charged by the schools from parents have negative but not significant relationship with the collection of monies for the provision of furniture for the students of the schools. The policy implication therefore is that more quality furniture should be made readily available to the students, as this will not increase the financial strain of parents in the form of PTA fees.
 3. Moreover, it emerged from the study that the PTA fees paid by the parents of the wards have a negative and significant relationship with the collection of monies for the payment of allowances for the provision of security for the schools. This implies that as the allowance for the provision of security for the schools increases, it leads to a negative and a significant reduction in the amount paid by parents as PTA dues. The implication therefore is that the provision of security for the schools is highly essential and therefore should be made to continue as it will not even lead to increases in the PTA dues paid by the parents.
 4. The results further indicated that the PTA fee paid by the parents to the schools to augment the effort of the capitation grant is positively and significantly related to the provision of stationery to the pupils. The policy implication therefore is that the government and NGOs should take it upon themselves to provide such stationery materials as notebooks, exercise books, drawing materials, pens, pencils and chalk to the schools to relieve parents of this financial burden.
 5. The research work found out that the PTA fees paid by the parents to the schools has a negative but not significant relationship with the administrative expenditure by the

schools. The implication therefore is that the parents can shoulder this responsibility, as it will not have any positive impact on their financial burden.

6. As revealed by the results of the descriptive analysis, the researcher found out that the amount paid to each student through the capitation grant is woefully inadequate to take care of the basic expenses of the students. Consequently, the head teachers tried to find a financial push to enable them to run their schools; hence the collection of additional monies from parents.
7. The researcher again found out through the descriptive analysis that inefficient and misappropriation of the money from the capitation grant by head teachers of the schools; largely contribute to the inadequacy of the capitation grant.
8. The study again found out that among all the measures to ensure the effective functioning of the capitation grant, monitoring and strict adherence to the guidelines of the capitation grant, should be a matter of importance.

5.3 Conclusion

Education is seen as one of the basic prerequisites to economic growth and development. It is therefore not surprising that most growth models include knowledge acquisition as one of the engines to propel growth in an economy. This knowledge acquisition is made possible through education. Making education easily accessible and affordable to all including the poor has, over the years, been the prime target of governments, NGOs and philanthropists in the global world. Governments all over the world have been putting

measures aimed at making education a basic right to all children of school going age, especially those at the basic level. Some countries have tried in making education at the basic level free and compulsory to enable all children of school going age take advantage of it. It is in the light of this that the government of Ghana targeted that education by the year 2005 would be made free and compulsory for students at the basic level as contained in the country's policy documents. It is against this background that the government introduced the capitation grant in 2006 to basic schools. The study therefore aimed at finding out the challenges bedeviling the proper functioning of the capitation grant as well as its prospects using the Oforikrom sub-Metro as case study.

The main objective of the study was to find out the challenges that impede the proper functioning of the capitation grant and its prospects using the Oforikrom sub-Metro as case study. The specific questions that guided the study included the following:

- Is the capitation grant sufficient for the expenses on each child;
- How regular is the grant paid to schools;
- What are the challenges facing the capitation grant policy;
- What are some of the prospects of capitation grant to the development of the nation.

Questionnaires were administered to 200 respondents, making up of 100 parents, 72 teachers, 8 GES officers and 20 head teachers, all in the Oforikrom sub-Metro to gather data to answer the research questions. The study was both a descriptive survey and a quantitative one. In the light of this, the researcher used both descriptive and quantitative

statistics to analyze the data gathered. Group bar graphs were used to analyze the descriptive aspects of the data. Mean, coefficients of covariate variables, t-ratios and p-values were used for the parametric analysis and discussion.

5.4 Policy implications and recommendations

The overarching concern of this study was to find out the prospects and challenges that impede the proper functioning of the capitation grant using the Oforikrom sub-Metro as a case study. Using the findings outlined in section 5.3 as measuring rod, the following economic policy implications and recommendations have been suggested:

- As it has been revealed that development fund incorporated in the PTA fees has a positive impact on the total PTA fees charged by the schools obviously implies that there is the need for governments to do everything practically possible to increase the amount made possible to the students at the basic level through the capitation grant. It should be suggested that free compulsory education should be such that the amount per each student should be sufficiently adequate such that the policy would have its fullest positive impact on the lives of the beneficiaries. NGOs and other philanthropic organizations should also broaden their tentacles to ensure that the basic needs of the poor in terms of helping to educate their wards would receive a matter of importance from their charitable donations.
- The result shows that there is a negative significant relationship between the allowance for security and the PTA fees parents pay. This means that an increase in the amount collected as security allowance, leads to a reduction in the PTA fees paid by the parents. The policy implication is that policymakers and facilitators of

education at the basic level should ensure that security personnel are employed to work in the basic schools, just as security personnel are employed in the second cycle institutions. This will lead to a reduction in the financial obligation of the parents of students at the basic level, and help to provide permanent employment for some people, helping to reduce the rate of unemployment in the country.

- The results also show that there is a negative relationship between the PTA fees paid by the parents and the administrative dues. This means that an increase in administrative levy leads to a reduction in the PTA fees paid by the parents. The policy implication is that the capitation grant paid by the government to the children should have a component for administrative expenses. Schools should therefore not be allowed to exact monies from parents for administrative expenses. Again, education officers should monitor the activities of heads from time to time to ensure that unnecessary extortions from parents are avoided.

5.5 Areas Suggested For Further Studies

In view of the researcher's inability to research into all aspects of the capitation grant to students, the researcher would like to suggest the following area for further research to be conducted:

Time of release of the capitation grant and the nature of extortions from parents.

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APPENDIX

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Source |   SS   df    MS       Number of obs =   200
-----+-----
Model | 654.160931   5 130.832186       Prob> F   = 0.0000
Residual | 1205.59407 194 6.21440242       R-squared  = 0.3517
-----+-----
Total | 1859.755 199 9.34550251       Adj R-squared = 0.3350
Root MSE = 2.4929

```

```

y |   Coef.   Std. Err.      t    P>|t|   [95% Conf. Interval]
-----+-----
devtfund | .3483774   .074732    4.66 0.000   .200986   .4957688
pfur | -.1120947   .0578299   -1.94 0.054  -.2261508   .0019614
allowsec | -.6024312   .1281103   -4.70 0.000  -.8550991  -.3497634
pstation | .3745542   .077075    4.86 0.000   .2225416   .5265667
admexp | -.1598472   .0911393   -1.75 0.081  -.3395984   .019904
_cons | 8.495075   1.396706    6.08 0.000   5.740396  11.24975

```

```
. sum y dev tfund pfur allowsec pstation admexp age gender1
```

```

Variable |   Obs   Mean   Std. Dev.   Min    Max
-----+-----
y |      200   8.465   3.057041     3    15
devtfund |      200   8.44   3.051715     2    16

```

pfur | 200 9.63 3.986548 4 16

allowsec | 200 5.87 1.563754 3 9

pstation | 200 6.42 2.574244 2 13

-----+-----

admexp | 200 4.75 2.021865 2 10

age | 200 40.105 8.925373 22 67

gender1 | 200 1.335 .4731749 1 2

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