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OWNERSHIP AND FUNDING OF UNIVERSITY EDUCATION IN NIGERIA: PRACTICES AND CHALLENGES

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ABSTRACT

This paper looked at ownership and funding of university education in Nigeria: practices and challenges. Education constitutes the very foundation of meaningful socio–economic, political growth and development of any nation. Hence the smooth running of any educational institution depends largely on the availability of resources, be it human, material or financial. These resources also determine to a large extent the achievement of the set goals of any organisation. The financing of education is at the heart of the educational crisis in many countries of the world. It is against this background this paper looked at concept of education, university, school and ownership of school, funding practices, overview of educational funding in Nigeria. The paper concluded that by ensuring sufficient funding for the university system, the occurrence of academic staff exodus and brain drain can be significantly reduced, leading to increased intrinsic motivation among academics, and suggested that government should strictly adhere to the 26% allocation of its annual budget to the education sector as recommended by UNESCO.

Keywords: Education, Ownership, University, Funding, Funding Practices.

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INTRODUCTION

Education is the collective endeavour undertaken by a certain society to achieve certain objectives that are deemed desirable in relation to both the individual's personal requirements and the societal context in which education is situated. These efforts encompass both intentional and deliberate actions, as well as unintentional and indirect influences. It is crucial to note initially that education encompasses more than formal schooling, while schooling at various levels contributes to the fulfilment of educational objectives. The foundation of the education system is established upon the principles outlined in the National Policy on Education (NPE) document of 2014. This policy paper aims to tackle the disparities in educational provision throughout various regions of the country, focusing on issues related to accessibility, resource quality, and girls' education. The educational system is structured into a six-year period of primary education, followed by three years of junior secondary school, three years of senior secondary schooling, and finally, four years of tertiary education at a university, polytechnic, or college of education.

The Federal Ministry of Education is tasked with maintaining the consistency of national policy and processes, as well as ensuring that the policies of individual states align with the overarching national policy, while also accommodating local requirements. The National Council of Education serves as the platform for political-level coordination of policy. The aforementioned entity serves as the preeminent governing body responsible for policy formulation, presided over by the Federal Minister of Education and comprising the collective participation of all State Commissioners of Education. The advisory group in question is overseen by the Joint Consultative Committee on Education, comprising the Federal and State Directors of Education, Chief Executives of education statutory entities, and Directors of University Institutes of Education. The Committee is chaired by the Director of the Federal Ministry of Education.

Education is a fundamental pillar that underpins the significant socio-economic and political progress and advancement of any given nation. It is not surprising that the federal government of Nigeria has embraced education as a very effective tool for influencing national development (Aina, 2007). The federal government organised the inaugural national curriculum conference in education in 1969 due to the significant emphasis placed on education (Anya, 2008). The curriculum conference's conclusions and decisions led to the development of the national policy on education, initially released in 1977 and subsequently revised in 1981, 1996, and 2004. These revisions required substantial financial resources. Since the inception of the national strategy on education in 1981, the education system has witnessed numerous changes and reforms.

Regrettably, despite the implementation of reforms and substantial investments made by successive governments, education in Nigeria has not effectively alleviated the country's challenges in technological advancement, underdevelopment, political instability, and social decay (Ololube, 2012). One could posit that a significant portion of these reforms and innovations suffer from inadequate implementation as a result of funding that is not sustainable. In view of the aforementioned considerations, it is imperative to emphasise the significance of providing discretionary financial support for education in Nigeria, with the aim of fostering sustainable development at the national level. The implementation of funding alternatives would yield pertinent data and empirical information to inform policy-making regarding our educational system, ultimately contributing to the long-term sustainability of national growth.

The efficient operation of an educational institution is contingent upon the adequate availability of resources, encompassing human, material, and financial aspects. The allocation and utilisation of resources significantly influence the attainment of an organization's predetermined objectives. According to Ololube (2016), it was argued that the proper functioning of any organisation is contingent upon the availability of sufficient financial resources. The provision of financial resources commonly referred to as funding, plays a crucial and indispensable role in facilitating the growth and advancement of institutions. Hence, the allocation of financial resources towards education constitutes a crucial domain within the field of Economics of Education (Barr, 2004).

The issue of school financing is a significant concern within the global educational crisis that is affecting numerous countries. Nigeria is confronted with an enduring issue of inadequate finance and a lack of clearly defined frameworks and approaches for financing education. The present government's overarching objective is to position Nigeria as one of the world's top twenty economies by the year 2020. In light of the ongoing economic transformation driven by significant advancements in information and communication technology (ICT), it is evident that any nation aspiring to have a prominent worldwide presence must demonstrate exceptional progress in the field of education.

This work aligns with the findings of Bamiro and Adedeji (2010), which suggested that the educational objectives of a country serve as a reflection of its intended focus on addressing social, economic, and political needs and ambitions through its educational system. An examination of the nation's historical context would demonstrate a longstanding recognition and appreciation for the significance of education. Despite the clear expression of aims, it is also evident that the implementation of all the presented measures has been inadequate for numerous reasons, with unsustainable funding being a key one.

One of the most widely discussed topics in the field of education today pertains to the persistent and challenging issue of financial resources. This phenomenon arises from the recognition that the successful implementation of any educational programme necessitates the presence of sufficient financial resources. According to Ogunu (2000), educational funding refers to the allocation of funds required to support all the necessary resource inputs in an educational system, with the aim of achieving its objectives to the fullest extent possible. Adequate financial allocation is necessary to support the supply of facilities and equipment, remuneration of staff, and acquisition of materials and other necessities in educational institutions.

Since the 1960s, the establishment of the initial wave of universities has sparked a growing demand for higher education characterised by quality. Consequently, this has led to a significant increase in the number of institutions with diverse characteristics throughout the country. As of 2005, a number of decrees and university acts implemented by successive administrations have resulted in the establishment of around 73 universities in Nigeria. These universities are categorised into three types: 26 federal universities, 24 state universities, and 23 private universities. They are engaged in the pursuit of knowledge and the conferral of degrees in a wide range of academic disciplines.

The primary objective of university education, similar to other educational levels, is to cultivate and generate a skilled workforce capable of driving advancements in human, economic, and scientific spheres through rigorous academic pursuits and extensive research endeavours. Paradoxically, the state of university education in Nigeria has regrettably been plagued by inadequate financial resources. Annually, substantial financial allocations are allocated towards

security and defence, in contrast to education, which is a crucial domain for the development of human resources.

THEORETICAL REVIEW

Human capital theorists argued in favour of private support from parents, students, and other stakeholders due to the dual nature of education as both a government and private investment. According to human capital theorists, this factor is crucial for the financial sustainability of universities and for fostering higher rates of economic growth. According to Barr (2004), the concept posits that individuals can enhance their output through more training, resulting in highly lucrative rates of return on these investments. As a result, both government entities and private individuals are compelled to provide financial resources for education.

The study utilises the Resource-Based model as a strategic approach to ensure the longterm financial sustainability of institutions. This is due to the inadequate planning, determination of operational costs, and revenue production in Nigerian universities. Hence, it is imperative to establish a coherent framework that aims to comprehensively encompass the primary functions of institutions and the corresponding allocation of resources to sustain them. The approach facilitates the establishment of a robust and transparent finance structure across all units within the university.

It empowers individuals to aim for and sustain financial equilibrium, as they remain consistently cognizant of the resource implications of their programmes and activities, and proactively plan for the accompanying obstacles. The dynamic model aims to assess the evolving resource needs of a university over time and develop strategic approaches to secure funding. By doing so, the university can reduce its vulnerability to fluctuations in the financial circumstances of its stakeholders and the operating environment (Bamiro & Adedeji, 2010).

CONCEPT OF EDUCATION

Education is the process by which individuals are introduced to activities or styles of thinking and behaviour that are deemed valuable by society. An individual who possesses a high level of education is not solely characterised by their acquisition of knowledge, but also by their dedication to the principles and values upheld by their community, as well as their adherence to established benchmarks of achievement. The process of education instills a comprehensive aspect within an individual that surpasses mere abilities and proficiency (Anya, 1993; as referenced in Anya, 2008). The term "education" encompasses various dimensions, including its conceptualization as a process, a product, or a discipline (Nwuzor & Ocho, 1985). This article centres on the concept of education, examining it within three distinct contexts: as a process, as a product, and as a discipline.

According to Ukeje (1985), education is not a movable commodity. Therefore, in order to achieve a successful education, it is necessary to borrow the necessary resources, but the final outcome must be original and native to the individual or community. According to Okeke (2007), education can be defined as a comprehensive process that individuals undergo throughout their lives to enhance and effectively utilise their abilities, knowledge, skills, and attitudes, enabling them to thrive in society. Education is a continuous and lifelong process that commences at birth and concludes with mortality. Each individual's life experiences provide

them with opportunities to further their education, enabling them to acquire knowledge and skills necessary to navigate the complexities and difficulties encountered in life.

Education is an indispensable component of human endeavour and should not be left to random circumstances. This is the reason why societies and nations allocate considerable effort to structure their education system in order to get optimal advantages (Okeke, 2007). The attainment of maximum benefit should encompass sustained national development, a goal that is sought after by all citizens and pursued by their duly elected leaders.

NATIONAL POLICY ON EDUCATION

Nigeria had implemented an educational strategy inherited from Britain upon gaining independence until 1977. The policy's failure to meet the country's national goals resulted in its lack of popularity. In the year 1969, a National Curriculum Conference was convened with the purpose of evaluating the existing curriculum and establishing novel national objectives for the education system in Nigeria. In 1973, the National Educational Research and Development Council (NERDC) convened a National Seminar, with Chief S. O. Adebo serving as the Chairman.

The National Policy on Education was established in 1977 as documented by Ololube (2012). The National Policy on Education is based on Nigeria's educational philosophy, which is articulated through the country's objectives. The Second National Development Plan in Nigeria has outlined five primary national objectives, which have been recognised as essential pillars for the formulation of the National Policy on Education. These structures represent the construction of:

- A free and democratic society
- A just and egalitarian society
- A united strong and self-reliant nation
- A great and dynamic economy
- A land of bright and full opportunities for all citizens (FRN, 2014).

CONCEPT OF SCHOOL

A school is an educational institution that is specifically structured to offer designated places and habitats for the purpose of facilitating learning. These spaces and surroundings are intended to support the instruction of students or pupils, who are guided by teachers in their educational pursuits. The majority of nations possess a formal education system that is typically mandatory. In numerous educational systems, students advance via a sequence of educational institutions. In order words, school is a formal organization made up of people and vested with the responsibility of cultural transfer. The school is an organization made up of individuals, with an assigned responsibility of teaching what is considered valuable to the citizens of the state or community. School is a place designed for learning.

The scope of institutions encompassed by the word differs across different countries. The educational institution known as school can be understood as a complex social system wherein individuals engage in interactions and relationships within certain parameters, all with the aim of achieving educational objectives (Enaohwo & Eferakeya in Wali, 2007). Achievement of the

goal of school as an organization requires effective leadership such as the transformational leader.

SCHOOL OWNERSHIP

School ownership refers to the state or actuality of possessing sole rights and authority over a certain educational institution. Additionally, it pertains to the acquisition of immovable property, the control over both human and non-human resources, and the comprehensive management of the educational setting. Ololube (2012) posited that the concept of school ownership encompasses a range of entitlements that can be distributed among multiple entities. The aforementioned rights are commonly denoted as "title" in a collective manner. The establishment and functioning of educational institutions are commonly denoted as being under the ownership of a school.

The individual responsible for the establishment, operation, and administration of a school can be perceived as burdensome. In the Nigerian context, there exist two distinct categories of educational institutions. There exist two types of educational institutions, namely public, sometimes known as government schools, and private schools. Public schools can be located at several levels of government, including municipal, state, and federal, and receive financial support from the national government. It is possible for them to impose little or nonexistent tuition fees.

In contrast, a private school is an educational institution that receives support from a private organisation or a Non-Governmental Organisation (NGO) and operates with a tuition fee structure that is intended to cover the costs of providing high-quality teaching and learning facilities, while also aiming to maximise profits in the short and long term. Nevertheless, some concerns have been raised regarding the potential benefits and drawbacks associated with the existence of various types of educational institutions.

The proponents of private schools contend that private sector participation in school administration leads to enhanced efficiency and receptiveness to parental expectations. They argued that private schools possess greater autonomy in terms of recruitment and remuneration of both teaching and non-teaching personnel, as well as the ability to introduce performance-based incentives. Additionally, private schools are able to exercise personal discretion in designing curricula and instructional approaches that align with the individual interests and abilities of students.

FUNDING PRACTICES

Education is a socio-economic service that incurs significant costs, necessitating sufficient financial support from many parties, including government entities at all levels. This financial assistance is crucial for the effective execution of all designated educational programmes that have been adopted for implementation. The cost of education is high due to the financial requirements associated with recruiting, training, and compensating teachers, as well as establishing and maintaining necessary facilities such as classrooms, labs, studios, workshops, and regularly replacing consumable equipment.

Regrettably, Bamiro and Adedeji (2010) asserted that in Nigeria, successive administrations have mistakenly fostered the notion that the government is solely responsible for providing free education across all levels. The current situation is not only characterised by

inefficiency, but also poses significant challenges in devising strategies to encourage Nigerian citizens to financially support education initiatives. In light of the government's acknowledgement of its errors and subsequent efforts to solicit and embrace the involvement of local communities, individuals, and organisations in supporting educational funding, there exists a pressing imperative to initiate a reorientation programme aimed at cultivating a heightened awareness among Nigerians regarding the importance of sufficient investment in education within the country.

The government has implemented various entities, and treaties, such as the Educational Trust Fund (ETF), Industrial Training Fund (ITF), and National Science and Technology Fund (NSTF), in order to support the financing of education. The Tertiary Education Trust Fund (2012) has emphasised in its mission statement that the allocation of funds to institutions is contingent upon ownership. Government-owned tertiary universities are the recipients of funds derived from company taxes paid by multinational corporations to the Federal Inland Revenue Services. Therefore, it can be inferred that the assistance provided by TETFund for staff training, ICT, and conference sponsorship is only limited to tertiary institutions that are owned by the government. The Federal Government-owned institutions receive a greater share of funds compared to State Government-owned institutions.

The matter of financial resources has emerged as a significant challenge within the educational system of Nigeria. Numerous entities, including organisations, parents, and labour unions, have consistently drawn the government's attention to the inadequate allocation of funds towards the educational system (Aina, 2007). The Federal Government allocated an average of 5.1% of its annual budget towards education throughout the period of 2006 to 2010. The average allocation of Federal Government expenditure on education in relation to the Gross Domestic Product (GDP) was 1.1%. Furthermore, Aina (2007) made an observation that following the establishment of democratic governance in 1999, there was a significant decrease in the allocation of funds for education, with the percentage dropping from 11.12% to 1.81% in the year 2003.

Based on the data provided by The African Debt Report for the year 2000, Nigeria allocated 0.76% of its Gross Domestic Product (GDP) towards educational expenditures. Ukeje (2002) asserted that the provision of quality education necessitates the availability of high-quality resources, which in turn relies on sufficient financial support. In support of Ukeje's (2002) argument regarding the issue of inadequate funding within the Nigerian University system, it is noteworthy to consider the allocation of budgetary resources to the education sector during the years 2000 to 2013. According to Agbor et al. (2017), the education sector received a budgetary allocation of 9.88% in 2000, followed by 7.68% in 2001, 12.64% in 2002, 8.32% in 2003, 8.21% in 2004, 5.97% in 2005, 8.77% in 2006, 8.09% in 2007, 6.49% in 2008, 6.98% in 2009, 6.42% in 2010, 8.43% in 2012, and 8.72% in 2013.

In a parallel train of thought, Aina (2007) made an observation regarding the financial requirements of Nigeria for the provision of quality education at the university level, estimating a total of #811,459 per student. Adhering to this necessitated a reduction in enrolments by around 80% given the existing level of funding and there has been a consistent decrease in the distribution of funds by the Federal Government to the education sector since 1999. Furthermore, this allocation is significantly lower than the average allocation during the last five years of military administration.

OVERVIEW OF FUNDING OF UNIVERSITY EDUCATION IN NIGERIA

In contemporary times, the allocation of financial resources to federal universities by the federal government has been met with dissatisfaction among many stakeholders within the university community. The university education sector frequently attributes the insufficiency of funding for university education in Nigeria to the government, while conversely, the government places blame on the sector for the improper allocation of resources provided to them. Additionally, the administration expresses concern regarding limited resources, particularly during this period of economic downturn.

Year	Total National Budget	Allocation to Education	% Share to Education Sector
2009	3,049,000,000,000	221,019,000,000	7.25
2010	5,160,000,000,000	249,090,000,000	4.83
2011	4,972,000,000,000	306,030,000,000	6.16
2012	4,877,000,000,000	400,015,000,000	8.20
2013	4,987,000,000,000	426,053,000,000	8.55
2014	4,962,000,000,000	493,000,000,000	9.94
2015	5,068,000,000,000	392,200,000,000	7.74
2016	6,061,000,000,000	369,600,000,000	6.10
2017	7,444,000,000,000	550,000,000,000	7.38
2018	8,612,000,000,000	605,800,000,000	7.03

Table 1: Share of education on the national budgets 2009-2018

SOURCES AND STAKEHOLDERS IN THE FUNDING OF UNIVERSITY EDUCATION IN NIGERIA

Table 1 above presented data illustrates of the proportion of funding allocated to education within the National Budgets throughout the period spanning from 2009 to 2018. According to the data presented in the table, the allocation of the National Budget to education has consistently remained below the recommended minimum threshold of 26% set by the United Nations Educational Scientific and Cultural Organisation (UNESCO) since 2009. The highest percentage share recorded during this period was 9.94%. This observation suggests that it is imperative to consider alternate approaches in order to ensure sufficient funding for our universities.

Undoubtedly, education is a social service that incurs significant costs. However, despite its pricey character, there are other ways through which it might be sufficiently funded. Certain sources in this context are readily apparent and widely recognised as significant, whilst other conventional sources that have been overlooked possess the potential to enhance the financial support allocated to public education in Nigeria if appropriately developed. According to UNESCO (2003), the sources of educational funding are as follows:

Government Grants: The government assumes ownership of public schools and, as a result, bears the responsibility for allocating a significant amount of the funding dedicated to education across various levels.

School Fees: These methods pertain to the generation of financial resources from students who directly benefit from educational services.

School Revenue Yielding Businesses: Educational institutions have the potential to secure funding through the establishment of revenue-generating initiatives, such as agricultural enterprises, consulting services, water purification facilities, bookstores, food services, and rental ventures, among others.

External Aids: The assistance provided to impoverished nations takes the shape of financial resources, equipment, facilities, and personnel, which are generously offered by affluent countries and organisations such as the United States of America, the European Union, UNESCO, and the Ford Foundation. Other sources of funding include:

- Endowment funds and donations
- Loans
- Contribution from parents
- Income tax
- Company profit tax
- Contribution by industries

Based on the aforementioned information, it is evident that education funding is derived from various sources. Public revenue from taxation is a significant source of income for all levels of government (Aina, 2007). According to the FRN (1986), the allocation of education money is reportedly divided among primary, secondary, and postsecondary education levels in the respective proportions of 30%, 30%, and 40%.

Table 1 presents the allocation of funds for education within the National Budgets spanning the years 2009 to 2018. According to the data presented in the table, the allocation of the National Budget to education has consistently remained below the recommended minimum benchmark set by the United Nations Educational Scientific and Cultural Organisation (UNESCO) of 26%. The highest percentage share allocated to education between 2009 till the present is recorded as 9.94%. This serves as an indication that it is imperative to examine alternative options in order to ensure sufficient funding for our educational system.

CHALLENGES OF FUNDING UNIVERSITY EDUCATION IN NIGERIA

A significant obstacle pertaining to the provision of financial resources for university education revolves around the inquiry of whether entities or individuals should assume the responsibility of financing it. There has been extensive discourse about the financial implications of education, particularly with regards to the allocation of responsibility for covering these costs. There is a prevailing viewpoint among individuals and corporate entities in Nigeria that the government should bear the financial responsibility of funding university education.

Conversely, the government expresses concerns regarding limited resources. The finance of Nigerian universities is frequently dependent on the government by the university system, students, and parents, with a tendency to overlook the broader beneficiaries of higher education beyond the government. The utilisation of existing finances at Nigerian universities is also a matter of concern. The impact of the economic slump on government funding for universities is a well-known and widely acknowledged phenomenon. However, a cause for concern arises from the apparent lack of prudent utilisation of the allocated monies within institutions, which deviates from their intended purpose. The prevalence of corruption in the Nigerian political landscape has also extended its reach to the realm of higher education institutions. On July 7, 2015, Professor Sola Akinrinade, the Provost of the Anti-Corruption Academy of Nigeria, conveyed concerns regarding the escalating prevalence of corruption within Nigerian universities. In his statement on the online platform pulse.ng, he emphasised that the pervasive corruption within the university system poses a significant threat to the future of Nigeria. Universities are currently confronted with the challenge of securing adequate funding, primarily due to the prevailing economic downturn. Additionally, the misallocation of existing funds by university administrations exacerbates this issue.

CONCLUSION

This paper highlighted the evaluation of university finance in Nigeria and concludes that Nigerian universities are experiencing a lack of adequate financial resources. The detrimental consequences of underfunding in these institutions have significantly impacted academic performance. The consequences of these deficiencies have led to a scarcity of physical infrastructure, the emigration of experienced scholars, a lack of well-equipped libraries and laboratories, and a shortage of training and development opportunities for academic personnel, among other issues. Therefore, by ensuring sufficient funding for the university system, the occurrence of academic staff exodus and brain drain can be significantly reduced, leading to increased intrinsic motivation among academics.

The prudent utilisation of available resources by university management is crucial, particularly as additional stakeholders contribute to the funding of higher education institutions. It is important to recognise that without effective and efficient resource allocation, the university system may remain underfunded, despite the involvement of all beneficiaries in the funding process.

Suggestion

This paper advocates for a policy transformation from the current condition of inadequate funding to a well-funded and contemporary educational system. Therefore, the government should strictly adhere to 26% allocation of its annual budget to the education sector as recommended by UNESCO.

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