

## PROBLEMS OF FINANCING HIGHER EDUCATION IN NIGERIA

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### **Abstract**

In Nigeria, many people have continued to clamour for free University education. Of course, it sounds exciting and noble. However, in the real sense of it, someone has to pay for it. Those who are preaching that gospel believe government should do everything for her people. But with the down-turn in the economy, how realistic is the proposition? I belong to the school of thought which accepts that those who benefit from something must contribute, no matter how small, to produce it. University education generates public as well as private benefits. Its costs must as a consequence be shared by the government and by students and/or families (Nwaochei, 2001). The amount of money made available for education at all levels had been fluctuating, depending on the priority accorded to it by respective governments over the years. But one thing is absolutely clear; the level of education funding has continued to decline thereby inflicting serious damage on the system of which only a massive injection of funds can help rejuvenate. Where can such massive funding come from? How has education been funded in Nigeria? What about the management of funds allocated to the education sector? These are issues which this paper attempts to address.

### **Introduction**

Quality education at all levels requires quality resources and consequently adequate funding. This is so because schooling is not the same thing as education.

Looking at the funding of education in this country, it is appropriate to know and understand the sources of funds for the sector whose enormous cost is increasingly becoming apparent that Government alone cannot shoulder. The quest for proper and adequate funding of education in Nigeria is the root cause of unending crisis which continuously afflicts the tertiary sector, virtually bringing it down to its knees. Money is the bottom line of any system of education, but unfortunately, it is always inadequate, as there are other essential services which the government must provide for the citizens.

Since Government has a policy of free education at all levels, constraints in budgetary allocation have adversely affected the policy, almost tinning it to a kind of mockery. Education being one of the social sectors, government has said repeatedly, that it cannot spend all the scarce resources to meet its needs, yet education is free at all levels. This is why the industry has not achieved beyond the present state.

According to the National Policy on Education, the success of any system of education is hinged on proper planning, efficient administration and adequate funding (National Policy on Education, 1981). Because public schools whether primary, secondary or tertiary are not basically operated for profit making purposes in the same manner that other business enterprises are operated, adequate funding therefore becomes paramount.

Initially, the Christian Missionary Societies who introduced Western Education into Nigeria financed it through Church collections and free labour from the members (Ukeje, 2001). The Catechists invariably doubled as class teachers and their salaries were paid through Church collections.

It was not until the year 1872 that the Colonial Government in Nigeria became actively involved in the issue of educational financing, when it made a grant of £30 to each of the three Missionary Societies then operating educational institutions in Lagos. This marked the beginning of the scheme of grants-in-aid to education by the government. In 1899, the first government school for the education of Moslems children in the township of Lagos was founded. By 1882, educational financing in Nigeria was from the following sources:

- The Government directly and through grants-in-aid
- The Voluntary Agencies through fees and Church collections

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- The communities through free labour, provision and maintenance of school buildings and staff quarters.

Thus, by this time the principle of shared responsibility in educational financing has been established.

During the thirties, forties and fifties, a major factor in the financing of education in Nigeria was the contribution by Private Voluntary Agencies. Town and Tribal Unions and parents. Town Unions and Philanthropic Individuals provided scholarships to their group, particularly for higher education overseas (Ukeje, 2001). By 1936, the Aggrey Memorial Grammar School, Arochukwu, became grant-in-aid thus inaugurating the principle of grants-in-aid to Private Schools in Nigeria (Ukeje, 2001).

The general condition for receiving grants-in-aid at this time was that the institution must be educationally necessary and efficient, having regard to type of school or institution.

The history of Higher Education in Nigeria dates back to the year 1932. when the British Government established Yaba College in Lagos in response to pressure from several quarters. It was to provide semi professionally qualified persons in the medical, engineering and allied fields, and secondary school teachers. Yaba College charged fees but these were mainly paid by the sponsoring bodies such as the Voluntary Agencies and Town Unions. No fees were charged initially when the College opened in 1932. but full tuition and boarding fees were introduced in 1938. Thus the principle of fees in Higher Education was established in 1938.

The Elliot Commission on Higher Education in West Africa set up in 1945 observed that "the demand for educated Africans in West Africa far outruns the supply" and accordingly recommended that a University College be established in Nigeria (Ukeje, 2001). This gave rise to the University College, Ibadan, which was founded in 1948. with the transfer of Yaba College Students to Ibadan as the nucleus of the University College.

Ibadan was funded initially from two main sources: The Nigerian Government which provided some 70 percent and the United Kingdom Government which provided 30 percent of the total recurrent cost (Ukeje, 2001).

\* Just as in Yaba, the students of the University College were required to pay tuition and boarding fees. However, a large proportion of the students received financial assistance from the University, and from other sources outside the University, mostly in the form of scholarships (Ukeje, 2001). In addition to the contributions by the Federal Government of Nigeria and the Government of the United Kingdom, the Nigerian Cocoa Marketing Board made at the onset an endowment of £1,000,000 to the Faculty of Agriculture. Part of this was used for putting up the Faculty building and part invested in government securities with interests, after 5 years, used to meet the recurrent expenditures of the Faculty (Ukeje, 2001). The United African Company (UAC) Limited also made donations for the building of a hall now known as Trenchard Hall. This act established the principle of the contribution of the Private Sector to the funding of University Education in Nigeria.

### **The Problem**

The funding of higher education is a problem of great dimensions not only in developing nations like Nigeria, but also in the developed countries of the world." In spite of the numerous sources of funding, the problem of inadequate funding still persist in the education sector like a hydraheaded monster on rampage. For the University system, funding had been the root cause of the incessant dispute between the Academic Staff Union of Universities (ASUU) and Federal Government. The Academic Union said it negotiated funding issues will Government which include the following:

- (i) The determination of the quantum of resources required to fund the University system adequately,
- (ii) The Sectoral Allocation of Recurrent Funds.
- (iii) The Provision of Restoration Grant to enable Universities rehabilitate their facilities,
- (iv) Stabilization fund.
- (v) Sources of Fund et-cetera.

Naturally from 1975, the funding of Universities started to receive a serious set-back. For instance, with ABU Zaria. from the beginning in 1962 to 1975 there was no substantial difference each year between the amount requested by the University and the amount received

from the then Regional Government. Infact, it is reported that there were years in which the amount received was slightly more than the amount requested (Nwagwu, 2002). It is also to be noted that, according to the report, the institution was well funded up to the academic year 1975-76 when for the first time, the amount received was 20 percent lower than the amount requested.

In 1997, for instance, the expenditure by Nigeria and some other African countries as percentage of their GNP was as follows:

<b>Countries</b>		<b>Percentage</b>
Nigeria	-	0.7%
Ghana	-	4.2%
Kenya	-	6.5%
South Africa	-	7.9%
Sub-Sahara Africa	-	4.2%
Low Income Countries	-	3.7%

Notice that 0.7% is the lowest among the countries sampled. Note again that while South Africa spent 7.9% of her GNP on Education in 1997, Nigeria spent only 0.7%; even Kenya spent 6.5%<sup>13</sup>. In terms of National Budget as a measure of the level of educational financing. UNESCO and World Bank recommend that, for a developing nation like Nigeria, 26 percent of the Annual recurrent budget be devoted to education. In the year 2000, the total Federal Government Appropriation was ₦441,526,556,972 but the sum allocated to education was ₦432,134,248,145. that is 9.4% of the total Annual Recurrent Budget. Again, in the 2001 budget, the total appropriate was ₦4 14,214,805,186. Out of this, education was allocated the total sum of ₦438,983,776,900. This is a far cry from the UNESCO and World Bank standard of 26%. This is a clear case of continued under-funding of education from the government sources. This explains, at least in part, the continued crises in the educational system of which the resultant effects are Brain-drain. Decaying infrastructure in all educational institutions. Abandoned Projects in the Universities. Strikes and epileptic school years (Ukeje, 2001). This financial constraint has led to some Federal Universities unable to meet payment of their monthly salaries. In University of Benin for instance, an average of only ₦78m was received monthly for salaries as against the average monthly wage bill of ₦ 150m - a shortfall of about ₦72m a month (Vice-Chancellor's Report, 2001). Faced with this problem, some Universities have paid approximately 50 percent of the normal entitlements every month since the past months. Despite the several Audit Panel or "Pay Parade organized by the Federal Ministry of Education and NUC".

Another curious policy by the Federal Government was the abolition of tuition fees in 1978. Fees were paid by students in the Federal Universities up to 1977 but were abolished from 1978, at least for all undergraduate courses. Furthermore, there have been great increase in student enrolment in the Universities since the 1970s. Thus the gap between the request for funding by the Universities and their receipts from the government through the NUC have continued to be widening.<sup>15</sup> Viewed differently, because of increasing student enrolment, the effective unit cost per student, as a basis for measuring standards and quality of academic activities, has been declining. For instance, in 1991, the unit cost per student per annum in the Nigerian University was estimated to be \$697. This decline to \$362 in 1998 and to \$357 in 1999. And this is a against the UNESCO and World Bank recommendation of \$1000 per annum per student. Thus from this perspective, the Nigerian Universities are 'under funded, in terms of UNESCO and World Bank standards, by as much as 64.3%.

Funding has continued to be a major constraint to the University's operations in Nigeria. As reported to its Governing Council at one of it's meeting. Anao stated that the same problem is faced by all the Federal Universities (Ukeje, 2001). According to him, some Universities have paid approximately 50 percent of the normal entitlements every month since the past months while in University of Benin, we have managed to pay full salaries up to date but the other dedicated accounts and reserves from which we borrowed these amounts have now dried up (Vice-Chancellor's Report, 2001). Furthermore, he stated that he only just managed to pay full salaries in the month of July and this was late by almost two weeks because we were waiting to receive the July subvention in order to be able to make up the required amount.

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In a nutshell, he stated that a meeting has been held with (the Joint Consultative Committee (JCC) of all the Unions in the University and informed them that if the present situation continues, the University authority may be forced to resort to paying only 50 percent of salaries as from August.

In a related development, the funding situation was the subject of a recent meeting of the Committee of Vice-Chancellors at which it was decided to send a delegation to the Minister of Education to alert him of the impending danger to the stability of the Universities if the problem was not immediately resolved. This situation, if it remains, will pose a critical situation that the University authorities will begin to delay action on certain very critical items of expenditure. This policy has its own attendant danger in terms of the University's ability to maintain and sustain the relative peace and stability which it has enjoyed in the past, he concluded.

The need to deregulate fees in the Universities has been recognized by the various Commissions appointed by the federal Government. For instance, the Cookey Commission recommended that the federal Government provide 80 percent of the annual recurrent expenditure of each of the Federal Universities, and that those institutions should find the balance of 20 percent from internal revenue generation efforts and other sources (Vice-Chancellor's Report, 2001). This, of course, implies charging of fees, among others. The Longe Commission recommended that "as a result of the gross deterioration and dilapidation of facilities in the institutions, the payment of fees by students in Federal Institutions should be restored as an exercise in the partial recovery of costs" (Ukeje, 2001).

It is known that the State Universities charge all sorts of fees including tuition fees. Therefore, it appears that the only reason for non-deregulation in the Federal Universities is political. Apart from being a credible traditional source of financing the Universities, it helps to maintain sanity and stability in the institutions. For instance, if parents pay fees, they will be more antipathetic to students' unrest and the consequent epileptic academic sessions. Payment of fees will remove professional students and those who have no business being in the Universities but are there largely because it is free.

In many countries, tuition fees account for a significant proportion of recurrent expenditures in public higher educational institutions. Every Nigerian University is established for teaching, research and community service. As at today, they do mainly teaching, even at that, the quality has deteriorated (Nwaochei, 2001).

Regarding community service, there is nothing to write home about. According to Aluko, when the consequence is that only a few leaders in the nation today, and even before, believe or trust that the Universities are working or can work towards political, economic, social, moral or technological self-reliance of the nation (NUC. Vision for 21<sup>st</sup> Century)

Bergevarn write that the public sector has been experiencing a period of many changes and as the component of this, the reconstruction of accounting and accountability becomes a theme of much enthusiasm. Due to the changes, novel research works have been done but almost all of them are channeled to the present day issues (Bergevarn, 1995).

In the words of Chuta E.J. and Edubank, increasing per capital level of Secondary and Higher Education (Universities) could lead to higher level of income per capital (Chuta, 2001). Omoregie also asserted that highly educated man has become the central resource of today's society (Clark, 1997).

The type of education to be financed is a major consideration in the economics of education. First, it is necessary to be sure that the funding leads to the achievement of acceptable educational objectives. In other words, the effectiveness of the various educational programmes provided is a major factor in educational financing, particularly with autonomy. Wasteful funding should be eliminated. In the words of Clark, Denmark's balanced economy in which much of its agricultural and industrial output is exported, gives the country one of the highest standards of living in the world. The country's G.D.P which is \$120.1 -13 m (calculating in Dollars). 3% of the nation's income is allocated to Agriculture, 26% to industry and 71 to services of which Education is given top priority (Clark, 1997). If such can be allocated to Education, it shows that Denmark places high values on Education. Comparatively, Denmark values education so much that literacy is 100% while that of Nigeria and Germany are 49% and 95% respectively (Clark, 1997). Through taxes levied by the Government, Denmark enjoys one

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of the most advanced systems of Government provided welfare and social services in the world. This makes them fund education. When education is well funded, education

development is high. Also, these taxes make it possible for workers in education industry to be well paid and motivated. The Committee of Deans of Postgraduate Schools in Nigeria at its recent meeting issued a communique stating amongst other that Federal and State Governments should increase their contributions to funding of research, procurement of equipment and materials, bearing in mind that it is always through appropriate research that development of economic and human resources are achieved. Also, all Vice-Chancellors in Nigerian Universities should allocate a minimum of 20% of the internally generated revenue from postgraduate programmes to their respective schools for effective administration (Punch, 2003).

Globally, the strategy used in this regard is Planning, Programming and Budgeting System (PPBS). This is now regarded as part of strategic planning. For example, the University of Benin in 2001 developed a ten-year Strategic Plan to establish a clear and consistent direction, indeed a road map for the future (Omorie, 1995). In the next ten years, the University of Benin intends to concentrate its emergency and resources on the following broad goals and objectives:

- (a) . To expand the University's sources of funds so as to reduce its dependence on government;
- (b) To provide opportunities for personal growth and intellectual development;
- (c) To enhance commitment to work by introducing a motivating reward and recognition system;
- (d) To initiate measures that would guarantee a regular academic calendar;
- (e) To improve library services to meet the increasing needs of the University community; and
- (f) To reduce dependence on the University of Benin Teaching Hospital (UBTH) and join the global action against HIV/AIDS (UNIBEN Strategic Planning Report, 2002).

**Federal Government Allocation to Education And To National Universities Commission 1987-2001**

Year	All Federal Approp. (M)	Alloc. To Education	Alloc. To Nuc	Education As % Of Total	Nuc As % Of Educ.
1987	3,671	514	320	14.0%	62.2%
1988	24,294	856	578	3.5%	67.5%
1989	-	-	-	-	-
1990	39,760	1,873	786	4.7%	42.0%
1991	25,581	1,166	772	4.6%	66.2%
1992	27,594	2,756	776	10.0%	28.1%
1993	35,100	9,737	3,397	27.7%	34.3%
2000	341,526.2	32,134.2	-	9.4	-
2001	414,214.8	38,983.8	-	9.4	-

**Source:** NUC Annual Report and NUC Submission to Vision 2010.

The table above shows Federal Government budgeted recurrent allocation to Universities and NUC as a percentage of total annual appropriation. Furthermore, it can be seen that the Federal Government allocation to education for the past decade has been erratic. In 1987, it was 14.0%; this drastically reduced to 3.5% in 1988, then equally rose to 27.7% in 1993, only to nose dive again to 9.4% in the years 2000 and 2001. All the above are against the UNESCO and World Bank recommendation of 26%. This standard was achieved only in 1993; and this was, perhaps, as a result of a special stabilization fund of N500,000,000 to the Universities in that year.

For the purpose of administration, funds to Universities are classified as recurrent or capital. In turn, the recurrent category is partitioned into personnel and overhead costs. Personnel costs take care of staff salaries and allowances. Overhead costs take care of the routine expenses for running the University including such items as equipment, building and road maintenance, payment of utility bills, fueling of cars, refreshment for meetings, payment of Council members' allowance as well as hostel and ground maintenance,

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expenses involving building construction, purchase of laboratory, workshop, clinic and studio equipment, purchase of vehicles, major rehabilitation of plant and machinery are covered under capital costs. As table below indicates, funds entering the kitty of the University are from a multiplicity of sources:

	Source	Percentage (%)
Personnel	Government Grant	98
	Other Sources	2
Overhead	Government Grant	45
	Income From User Charges	49
	Income From Investment	6
Capital	Government Grant (NUC)	68
	Government Grant (ETF)	12
	Private Sector Support	10
	Income From Investment	4
	Others	6

Source: NIJC Data, 2002.

The above data from NUC in Federal Universities show that in 2001, 98% of personnel expenses were paid for through grants from the Federal Government through the National Universities Commission (NU). For overhead and capital expenses, Government remained the major financier. How well are the Universities striving to ease off the financial apron string of Government?

A notable source of fund for the Universities is the Education Tax Fund (ETF). It is a trust fund established under Act No. 7 of 1993 and amended by Act No. 40 of 1998 with the objective of using funding with project management to improve the quality of education in Nigeria. Table below indicates a summary of ETF intervention in higher education between 1979 and 2001.

Sub-Sector	1999 N	2000 N	2001 N
Universities	2,041,374,962.50	466,000,000.00	184,800,000.00
Polytechnics	1,087,209,288.00	369,500,000.00	76,926,000.00
Colleges of Edu.	1,099,137,930.00	431,200,000.00	181,800,000.00
Monotechnics		193,500,000.00	89,616,000.00

Source: NUC Annual Report.

**Grants To Federal Universities Through NUC (1992-2002) And Capital Through ETF (1999- 2002)**

Year	Recurrent	Capital	Total
1992	2,312,056,465.00	743,808,475.00-	3,055,864,940.00
1993	3,315,915,278.00	590,000,000.00	3,905,915,278.00
1994	3,497,486,980.00	991,775,000.00	4,489,261,980.00
1995	4,720,756,226.00	1,518,194,570.00	6,238,950,796.00
1996	6,051,136,450.00	1,645,596,019.00	7,696,732,469.00
1997	3,830,438,010.00	1,677,117,302.00	5,507,555,312.00
1998	6,628,894,283.62	2,565,945,000.00	9,194,839,283.62
1999	10,736,131,535.77	10,166,681,045.00	20,902,812,580.77
2000	28,733,320,663.43	5,110,170,598.00	33,843,491,261.43
2001	28,742,711,957.09	5,878,555,739.00	34,621,267,696.09
2002	30,644,828,005.00	2,050,000,000.00	32,694,828,005.00

Source: NUC Annual Report.

### **The University Autonomy**

Government and the Universities appeal' to be playing the cat and mouse on the issue of autonomy. The government seems to be saying to the Universities, "take autonomy and fend for yourselves. If we fund you, then we must dictate the tune". The Universities on the other hand, want "the government's chief responsibility toward the Universities to be to fund them while they implement their own plans and policies". These are certainly extreme positions. The traditional University autonomy assumes that such institutions function best when they are given full control of their "own affairs". Here their own affairs include formulating their own strategic plans and student admission targets, and determining the shape and size of their institutions. The distribution of these funds across different programmes and activities is then left to the Councils of the Universities (UNIBEN Strategic Planning Report, 2002).

Perhaps, at last, there may be light at the end of the tunnel as the new policy on Higher Education unfolds. A World Bank Report to the present Government on the new policy has identified the overdue attention to the nations' University system which includes:

- (a) Visitation panels have assessed each of the Federal Universities, the National Universities Commission and the Joint Admission and Matriculations Board, and presented their reports to government;
- (b) The government has undertaken an aggressive national campaign to eradicate the disruptive activities of secret cults on 1 diversity campuses;
- (c) The Private Universities have been licensed to function, and the application of another four term in advance stays of review;
- (d) The Vice-Chancellors' privilege of selecting 10% of each year's intake has been revoked;
- (e) Government recently announced a 161% increase in total funding for Federal Universities system that will raise per student expenditures from roughly \$370 to \$970 per year.

These policies are clearly in the right direction if well implemented.

As everybody knows the problem in Nigeria is not with policies but their effective implementation. For instance, unless the 161% increase in funding is effectively and appropriately utilized, the problems will continue, the decay will continue and strikes will continue.

The autonomy policy on Universities states that

"their freedom to govern themselves, appoint their key officers determine the conditions of service of their staff, control their student admissions and academic curricula, control their finances and generally regulate themselves as independent legal entities without undue interference from the Federal Government and its agencies (Ukeje. 2001)."

According to Nvwagwu. we cannot transplant educational policies wholesale from one place to another (Nvwagwu, 2002). Furthermore, he states that whereas professional educators perceive the schools as a place for nurturing and encouraging individual growth, initiative, divergent thinking and critically analytic minds; politicians who fund and control the education system may prefer the schools to be prefabricated opinion factories in which conformity is encouraged, minds and abilities are manipulated and controlled, while individualism is feared and muzzled as dangerous radicalism (Nwagwu, 2002). Students wonder what the schools were established to do for them, and who determines educational objectives and policies. The politicians or the educationalists!

If the ultimate aim of government is to improve on good education with the quality of life of the average citizen, then the present administration cannot be said to have done well. In the first place, the economic posture of the government is confusing. In more than four years of this present administration, it has failed to articulate its economic goal. Budget formulation and execution have fallen below expectation. The budget is never debated by the public. In reality, what we have had always is an expenditure profile with no policy thrust or objective.

The macro-economic variables are nothing to cheer about. Inflation that was 6.6 percent in 1999 is now 18.9 percent, the dollar exchange rate moved from 102 Naira to M1. Fuel price has been increased thrice. Oil remains the chief revenue earner and still susceptible to International price fluctuation which reminds us that old style lazy economic management still

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reigns. The government has done nothing to move the nation towards diversification. At the State level, it has been financial recklessness galore to the extent that many can no longer pay salaries.

So far, our law makers at the National Assembly have been a disappointment. They have not done much in the areas of legislation rather they have been more known for controversy mostly over financial misappropriations or things bothering on their entitlement. Their motto appears to read: "Our Welfare First, before the nation". In the first term of this administration, the Senate replaced its leadership three times, while the House of Representatives done so twice.



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Moreover, the quality of many of the lawmakers remains something to worry about. Also worrisome is the continued animosity and mistrust between the Executive and the House of Representatives in particular (This Day. 2002).

### **Education Funding Policies and Politics**

While digressing, we are happy that the Universal Basic Education (UBE) has taken off. But we should note that the policy was announced by the I lead of State in Sokoto in 1999 before the Bill was sent to the National Assembly in the year 2000 and passed into law in the year 2002. Therefore, the policy was announced even before the planning and funding arrangements had been completed. It was a case of the cart before the horse. UBE funding is still a political issue. In the words of Ehiamezor. for several years in the history of education in this country, the government has always attempted the process of administration before planning (Ehiamezor. 2003). This is, perhaps, one reason for the poor results always achieved in almost all education programmes.

### **Sources of Education Funding**

Funds for running a University are derivable from two major sources - external and internal.

Public Universities secure grants for recurrent and capital expenses from Government.

These

externally-derived funds make up, on the average, about 75% of the total income available to a

Federal or State University. Other sources of funding are as follows:

- a. **Budgetary Allocation:** Budgetary allocation represent the major form of funding of education coming from Government. All the three tiers of Government annually make allocations in their year's budgets on education.
- b. **School Fees:** Although education is technically free, however tuition fees are paid in some States at secondary and tertiary levels. Also fees for accommodation and feeding are paid; all of these representing considerable private contribution to education funding in the country.
- c. **Parent and Teacher Association Levy:** Parents have been brought into shoulder part of education financing by bringing them together under the umbrella of Parents/Teachers Association. Funds collected through approved levies are used for capital development.
- d. **Endowments/Donations:** Various tertiary institutions often launch endowment funds to get money for execution of specific projects and provision of facilities. Wealthy individuals and corporate organizations make donations to Universities or sponsor professorial chairs in diverse disciplines of their choice.
- e. **Education Tax Fund:** By far the greatest of them all is the Education Tax Fund (ETF). Established by the promulgation of the Education Tax Decree of 1993. to raise funds for the education sector, it was government's response to the problem of education financing threatening public education.

Government will say they are funding Universities when parents do not pay fees how do you fund? Children still sit on bare floor. I support cost-sharing. Let Government supplement what people pay. No seriousness on the part of government to fund education.

Concerned about the funding situation, the National Association of Pro-Chancellor of Nigerian Universities (NAPCNU) at the end of a two-day seminar in Abuja, asked the Federal Government to substantially increase the level of funding of the Universities to enable them discharge their functions (Nwaochei, 2001). The Pro-Chancellors' position probably called for the introduction of a reasonable level of tuition fees in tertiary institutions. They stated that this stance was being canvassed due to the increasing level of responsibilities which the government and the Universities are

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carrying. What the Pro-Chancellors did not understand is that Universities are already charging different kinds of fees in lieu of tuition fees. In the University of Ibadan for instance, students are paying Municipal Fees imposed on them without justification. The University of Eagos is planning to introduce Service Charges which the Students Union Government has vowed to resist. Recently at the University of Benin, a new source of funding opened up when Parents and Guardians of students of the University resolved to pay on behalf of each of their wards the sum of N5.000.00 (Five Thousand Naira Only) annually to arrest the deterioration of infrastructural facilities in the institution (UNIBEN Update. 2003). Giving a background on the need to call for the intervention of parents in ensuring improvements in the training of their wards. Prof. A.R. Anno said that the Federal

Government can no longer cope with the burden of solely funding the Universities (UNIBEN Update, 2003). Needless to say that Students Union Government has protested against this decision.

### **Conclusion**

The Nigerian Universities are grossly under funded. The government is not likely to increase significantly the annual grant to the Universities. All Universities that aspire to survive and remain relevant must put on her thinking, cap to discover and exploit other sources of revenue. University education generates public as well as private benefits. Its costs must as a consequence be shared by the government and by students and/or families.

The amount of money made available for education at all levels had been fluctuating, depending on the priority accorded to it by respective governments over the years. But one thing is absolutely clear: the level of education funding has continued to decline thereby inflicting serious damage on the system of which only a massive injection of funds can help rejuvenate.

We have further averred that the provision of education is a shared responsibility among the Federal, State and Local Governments, the Private Sector and the parents. Also catalogued are some of the consequences of under-funding, various forms of crises, decay in the system, infrastructural deterioration, abandoned projects, schizophrenic culture, epileptic school years et-cetera.

### **Recommendations**

Having come this long, it is hereby recommended that

- (a) Government should de-regulate the system and untie the hands of the Universities to charge realistic fees for both tuition and staff and student accommodation;
- (b) Government should improve its funding of Universities to meet the minimum staffing and facilities levels recommended in the minimum academic standards/benchmarks;
- (c) The price per type of student will then be derived from the staffing and facilities ratios for each discipline;
- (d) There should also be a separate fund for capital projects and equipment based on approved enrolment, available facilities and approved expansion;
- (e) There should also be a separate fund for maintenance (N32bn) now estimated as required to rehabilitate and renovate academic facilities);
- (f) There should be another fund for research;
- (g) Universities should use their new freedom to reduce dependence on Government for funding.
- (h) Federal and State Governments should re-introduce and re-invigorate scholarship schemes, not only as a source of funding but also as a means of identifying and developing productive high level manpower.

It is further recommended that the current funding of Universities in Nigeria be improved upon, as the present one is inadequate and Universities are over-dependent on Government. Government proportion to education should be reduced to 45% over the next five years while increasing its value consistently. If Government's financial contribution is reduced to 45%. its propensity and capacity to interfere in the management of the Universities should be reduced to almost zero. The true autonomy will impose new obligations on all. including Governing Councils, their composition and the way they are appointed or held accountable (Nwaochei. 2001).

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