

Original Paper

Financing Education in Nigeria: Implications and Options for National Development

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Abstract

The future of any country lies in the quality of its education. Education remains the major tool for national socio-economic development, individual socio-economic empowerment and poverty reduction. Unfortunately, one of major problem now facing education in Nigeria is the issue of underfunding. We have, in the last decades, witnessed a gradual degradation in infrastructure, in manpower development and access to qualitative education. Precisely, the federal government spending on education is below 10 percent of its overall budget. This is largely due to the fall of the oil market, and the need to reduce the huge and raising debt service obligations. This study critically examined the past and present situation of financing education in Nigeria, the implications of inadequate funding and possible strategies of funding education. Thus, it was suggested among others that all stakeholders, parents and guardians, the society in general, the private sector and non-governmental agencies must become involved in the financing of education in Nigeria.

Keywords

financing, education, budget, national development

1. Introduction

In Nigeria, the demand for education is so high because education is not only an investment in human capital but it is also a pre-requisite for economic development (Ubogu, 2011). Thus, education has remained one of the most challenging of the Seven-Point Agenda enunciated by the late Umaru Yar'Adua administration on assumption of office in 2007. The administration met an educational sector that was in comatose. In spite of the reforms carried out by the immediate past government, there was reality nothing on ground to inspire confidence in that very vital segment of our national economy (Nwosu, 2009). The universities and other institutions of learning were in a state of decay with most

teaching staff leaving the country in droves in search of greener pastures abroad. Apart from the impact of inadequate funding on the quality of the teaching and learning process in our institute of education, student support is now inadequate (Ubogu, 2011). It was therefore, not surprising that the late Yar'Adu's administration had to be confronted by labour unions in the educational sector with long lists of demand on what should be done to uplift the sector. The unions, one after the other, had to go on strike to press home their points. The ensuing face-off-between the Federal Government and Academic Staff Union of Universities (ASUU) resulted to the shutting of the universities for close to four months.

Adewale, Ajayi and Enikanoselu (2006) were of the opinion that education in Nigeria has been experiencing financial crises. There is less money to spend on primary, secondary and tertiary education. There are increasing complaints about the underfunding of the educational sector while the government accuses the sector of inefficient utilization of available resources. The donor argues that public spending on education should be reduced. However, the fact remains that education in Nigeria has been experiencing loss of facility, deterioration of equipment and plans, and uncompleted projects as a result of the financial crises facing the system.

2. An Overview of Financing Education in Nigeria

Education funding comes from different sources. The major one at all levels of government is public revenue from taxation. Education funds are reported to be distributed among primary, secondary and tertiary educational levels in the proportion of 30%, 30% and 40% respectively, Balurni (2003). The public funding includes direct government expenditures in the form of subsidies to households such as tax reductions, scholarships, loans and grants. It also includes payment from Education Tax Funds (ETF) mainly for capital expenditure. At present, private sources account for about 20% of total national donors. Particularly in the form of loans (Adewale et al., 2006).

The underlying rationale for public funding of education is to equip people with the requisite knowledge, skills and capacity to enhance the quality of life and increase productivity and capacity to gain knowledge of new techniques for production so as to be able to participate evocatively in the development process.

With education regarded as "free" goods by the provider, the demand for it soared to such an extent that by the end of the 1980s, government could hardly cope. Of course, while the quantity of education increased dramatically, the quality nose-dived to an unprecedented level. Hinchliff (2002) highlighted that federal budgetary allocation to education in nominal terms rose from N 6.2 million in 1970 to N 1,051.2 million in 1976. Thereafter, it declined to N 667.1 million in 1979, rose again to N1, 23.5 million in 1980, declined in succeeding years before rising to N 3,399.3 million in 1989. It dropped further to N 1, 553, 3 million in 1991 before rising gradually to N 9,434.7 million in 1994. Thereafter, the declining trend continued.

Precisely, the Federal Government spending on education is below 10 percent of its overall budget (see Table 1). Overall, the shares have varied between 9.9 and 7.6 percent and the trend has

been largely downward. Typically, between 70 and 80 percent of expenditures are for recurrent activities.

However, in 2002, the capital allocation increased to 45 percent of the total, in line with the overall large increase in capital expenditure in Federal Government's budget (Amaghyonyeodiwe & Osinubi, 2006).

Table 1. Federal Government Expenditures on Education As Share of Total Federal Expenditure, 1997-2002 in Percentage

	1997	1998	1999	2000	2001	2002
Recurrent	12.3	12.0	11.7	9.4	9.5	9.1
Capital	6.1	7.5	5.0	8.5	6.0	6.0
Total	9.9	9.6	9.0	9.0	7.6	8.0

Source: Federal Government of Nigeria, annual budget (various years).

While each tier of education has at various times been the concurrent. (Joint) responsibility of both Federal and state governments, the former has historically been much more involved at the post secondary level.

Table 2 presents the shares of Federal Government recurrent and capital expenditures by level of education between 1996 and 2002. Over the period, the share for the (24) Federal universities has varied between roughly 40 and 50 percent of total Federal expenditures while those for the (16) polytechnics and (20) colleges of education have remained fairly constant (apart from one year) at around 17 percent and 11 percent respectively. Overall, during the whole period, the tertiary education sub sector has received between 68 percent and 80 percent of the total federal expenditures for education.

Table 2. Federal Government Expenditures Shares by Level of Education, 1996-2002 in Percentages

	1996	1997	1998	1999	2000	2001	2002
Tertiary	79.9	78.9	68.4	69.0	75.8	68.1	76.9
Universities	52.5	44.6	39.4	39.9	41].3	39.6	51.2
Polytechnics	16.2	23.2	17.0	18.5	17.0	16.6	16.0
Colleges of Education	11.2	11.1	12.0	10.6	9.6	11.9	9.7
Secondary	10.4	11.3	14.6	18.7	15.3	15.5	15.6
Primary	9.7	9.8	16.9	12.2	8.9	16.4	7.5

Source: Federal Government of Nigeria, annual budget (various years).

In five out of the seven years, the allocation to secondary education has been above that for primary. The average shares have been 14.5 percent for secondary schooling and 11.5 percent for primary schooling. Federal Government expenditures on secondary schooling are basically for the Federal Government Colleges (Unity schools), usually three of which are established in each state and the federal secondary technical colleges. Allocations for primary schooling have been more adhoc resulting from specific initiatives (Amaghyonyeodiwe & Osinubi, 2006).

Table 3. Disbursement Allocation to Educational Sectors between 1995-2004 (in Million)

Year	Allocation to education (2)	Fund disbursement to educational sector (3)	Cup between 2 and 3
1995	12,816,400.000.00	12,816,400.000.00	–
1996	15,357,700.000.00	15,357,700.000.00	.
1997	16,841,200.000.00	16,841,200,000.00	–
1998	23,668,100.000.00	23,668,100.000.00	.
1999	27,7 L3,500,000.00	27,713,500,000.00	.
2000	64,514,932,711.00	28,030,664,196.00	36,484,268,520
2001	72.950,836,443.00	44,031,814,544.00	28,919,021,900
2002	72.950,836,443.00	85,075,701,873.00	2.981,260,900
2003	78,952,003,053.00	72,261,755.174.00	6,690,247,880
2004	93,767,856,839.00	77,975,091,275.00	15,792,795,560
2005	11,641,315,112	9,341,341,551	2,299,973,561
2006	116,600,000,000	30,486,000,000	86,114,000,000
2007	154,361,300,101	56,941,411,310	9,741,988,790
2008	109,341,341,010	79,564,341,911	2,977,999,099
2009	113,246,777,000	87,546,477,494	25,699,299,506
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Sources: Federal Ministry of Education, Abuja.

Furthermore, Table 3 presents the Federal Government disbursement allocation to education sectors between 1995 2009 (in million).

There was disparity between the funds allocated and funds disbursed to educational sectors during the period of study. The disparity was widest in year 2000 when only N.T 28,030.7 million was disbursed as against N 64,514.9 million that was allocated. The disparity created in the year was N 36,484.3 million which is 56.55% of the allocation. Between 1995 to 1999, however, the exact amount allocated was disbursed to education sectors while in 2002, fund disbursement was in excess of the allocated by

2.981.3 million which presents only 3.63% of the amount allocated. For the period between 2000 and 2004, a total of N 87,886.3 million allocated was not disbursed.

Furthermore, the Britain-Nigeria Educational Trust Fund (2009) has reported that the educational sector which suffers from inadequate funding at all levels, has not utilized the sum of N 22.6 billion allocated by the Education Trust Fund covering the period 2002-2007. It was to be made available to universities, polytechnics, State Ministries of Education and the Universal Basic Education Boards. Lists of the beneficiaries, which are being made public by the ETF, included 25 Federal and State universities, 24 Federal and State Polytechnics, 14 Federal and State colleges of education, 11 monotechnics, 17 State Ministries of Education and 21 State Universal Basic Education Boards. Top on the list of the universities which have total of N 6,343,000,000 yet to be accessed is the Federal University of Petroleum Resources, Effurun, Delta State, that has N 552 million; followed by Universities of Port Harcourt and Abuja with N 302.3 million and N 278.7 million unclaimed respectively.

Adedigba (2017) highlighted that the only 7.04% of the 8.6 trillion budget was allocated to the education sector. The total sum allocated to the sector is N 605.8 billion, with N 435.1 billion for recurrent expenditure, N 61.73 billion for capital expenditure and N 109.06 billion for the Universal Basic Education Commission. The allocation is lower than the 7.4 percent the government gave the education sector in the N 7.4 trillion 2017 budget. The breakdown of the N 550 billion allocated in 2017 was N 398 billion for recurrent expenditure, N 56 billion for capital expenditure and N 95 billion to UBEC. Although the N 605 billion allocated to the sector this year is higher in naira terms than the N 550 billion allocated in 2017, there is a decrease in percentage terms.

Table 4. Decrease in Percentage Terms

YEAR	CAPITAL EXPENDITURE	RECURRENT EXPENDITURE	UNIVERSAL BASIC EDUCATION	TOTAL EDUCATION	TOTAL BUDGET	EDUCATION % OF TOTAL
2010	53,667,933,553	193,418,320,500	44,341,401,504	293,422,655,563	4,079,654,724,257	7.19
2011	25,011,595,911	304,392,631,274	54,324,643,050	390,810,171,335	4,226,191,559,254	9.32
2012	55,056,589,106	345,001,448,176	68,232,000,000	468,585,667,413	4,740,101,000,000	9.86
2013	20,149,501,008	367,575,116,850	72,245,000,000	400,761,307,118	4,924,604,000,000	10.15
2014	50,781,035,231	373,532,005,037	70,420,000,000	414,783,180,268	4,605,100,000,000	10.54
2015	23,520,000,000	392,563,784,654	68,380,000,000	484,263,384,654	4,493,363,957,158	10.28
2016	35,433,487,466	367,734,327,223	77,110,000,000	450,278,314,660	6,060,677,358,227	7.92
2017	56,720,960,147	398,696,819,418	15,181,395,583	550,507,184,148	7,441,175,486,758	7.40
2018	61,730,000,000	435,010,000,000	100,060,000,000	605,800,000,000	8,600,000,000,000	7.04

The picture that emerges from the foregoing is that underfunding of education has led to a

decline in the quality of the education system.

Specifically, Isa (2012) revealed that the state universities of the federating states in Nigeria are not spared either. They are also casualties of underfunding.

The approved Capital Grant Allocation released for the year 2012 below succinctly capture the degree of underfunding of Nigerian universities. The sum of N 9,605,691,837 was release to universities out of the N 18,335,921,415 capital grant appropriated for 2012. The releases only amounted to 50% of the aforementioned capital earmarked for appropriation to the universities for year 2012. Again in 2013, only N2,185,839,031 was release to universities out of N 4,347,000,000 capital grant appropriated in the First Quarter Releases (January 2013-March 2013). The release in the first quarter of 2013 was less than 16% of the original sum earmarked for the first quarter of 2013.

S/N	INSTITUTION	CAPITAL GRANT					
		CAPITAL APPROPRIATION	1ST QTR RELEASES	2ND QTR RELEASES	3RD QTR RELEASES	4TH QTR RELEASES	TOTAL RELEASES AT 4TH QTR
		N	N	N	N	N	N
1	University of Ibadan	450,609,633	126,601,532	10,216,094	78,310,985	33,502,418	248,631,029
2	University of Lagos	450,609,633	126,601,532	10,216,094	78,310,985	33,502,418	248,631,029
3	University of Nigeria, Nsukka	500,609,633	140,649,338	11,349,679	87,000,434	37,219,873	276,219,324
4	Ahmadu Bello University, Zaira	1,400,609,633	112,553,727	60,834,046	341,475,141	108,516,117	623,379,031
5	Obafemi Awolowo University, Ile-Ife	400,609,633	112,553,727	9,082,508	69,621,537	29,784,963	221,042,735
6	University of Benin	400,609,633	112,553,727	9,082,508	69,621,537	29,784,963	221,042,735
7	University Jos	450,342,466	126,526,470	10,210,036	78,264,555	33,482,554	248,483,615
8	University of Calabar	456,026,918	128,123,552	10,338,913	79,252,450	33,905,188	251,620,103
9	University of Ilorin	400,342,466	112,478,664	9,076,451	69,575,106	29,765,100	220,895,321
10	University of Abuja	500,000,000	140,478,058	11,335,858	88,894,486	37,174,547	275,882,949
11	University of Agriculture, Abeokuta	334,502,998	93,980,663	7,583,757	58,132,932	24,869,995	184,567,347
12	University of Agriculture, Makurdi	334,502,998	93,980,663	7,583,757	58,132,932	24,869,995	184,567,347
13	Michael Okpara Univ. Of Agricultural, Umudike	394,502,998	93,980,663	10,688,849	74,444,149	29,330,940	208,444,601
14	University of Port-Harcourt	600,342,466	112,478,664	19,426,758	123,945,827	44,634,918	300,486,167
15	Abubakar Tafawa Balewa University, Bauchi	450,891,816	125,680,813	10,222,491	78,360,025	33,523,398	248,786,727
16	University of Technology Owerri	400,891,816	112,633,008	9,088,905	69,670,577	29,805,943	221,198,433
17	Federal University of Technology, Akure	400,891,816	112,633,008	9,088,905	69,670,577	29,805,943	221,198,433
18	Federal University of Technology, Minna	478,891,816	114,880,657	12,892,887	90,090,641	35,605,173	253,469,358
19	Modibla Adama Univ. Of Technology, Yola	408,891,816	114,980,657	9,270,279	71,060,889	30,400,736	225,612,561
20	University of Uyo	429,342,465	120,626,392	9,733,930	74,614,989	31,921,223	236,896,531
21	University of Maiduguri	529,342,466	120,626,392	14,909,084	101,800,347	39,356,133	276,691,956
22	Nnamdi Azikiwe University, Awka	429,342,466	120,626,392	9,733,930	74,614,986	31,921,223	236,896,531
23	Bayero University, Kano	1,620,342,466	112,478,664	72,213,328	101,800,347	128,776,987	714,705,482
24	Usman Dan-Fodio University, Sokoto	1,674,851,416	141,478,058	72,136,226	74,614,986	128,689,475	747,585,838
25	National Mathematical Centre, Sheba	298,458,193	83,853,655	6,766,559	401,236,503	22,190,096	164,679,053
26	Nigeria French Language Village, Badage	198,458,193	55,758,043	4,499,388	406,282,079	14,755,187	109,502,463
27	Nigeria Arabic Language, Ngala	198,458,193	55,758,043	4,499,388	51,868,743	14,755,187	109,502,463
28	Division of Agricultural Colleges, ABU, Zaria	198,458,193	55,758,043	4,499,388	34,489,845	14,755,187	109,502,463
29	Federal Univ. Of Petroleum Resources, Effurun	633,317,176	177,878,743	14,353,853	34,489,845	47,071,688	349,332,468
30	National Open University	411,070,000	115,492,631	9,319,662	110,028,784	30,562,682	226,814,408
31	Federal University Oye, Ekiti	277,777,778	78,043,366	6,297,699	71,789,433	27,320,124	159,935,904
32	Federal University, Otuoke	277,777,778	78,043,366	6,297,699	48,274,715	27,320,124	159,935,904
33	Federal University, Dutse	277,777,778	78,043,366	6,297,699	48,274,715	27,320,124	159,935,904
34	Federal University Ndufu Alike	277,777,778	78,043,366	6,297,699	48,274,715	27,320,124	159,935,904
35	Federal University, Lafia	277,777,778	78,043,366	6,297,699	48,274,715	27,320,124	159,935,904
36	Federal University Dutsen Ma	277,777,778	78,043,366	6,297,699	48,274,715	27,320,124	159,935,904
37	Federal University Kashere	277,777,778	78,043,366	6,297,699	48,274,715	27,320,124	159,935,904
38	Federal University Lokoja	277,777,778	78,043,366	6,297,699	48,274,715	27,320,124	159,935,904
39	Federal University Wukari	277,777,778	78,043,366	6,297,699	48,274,715	27,320,124	159,935,904
	TOTAL	18,335,921,415	4,076,973,873	526,932,802	3,561,663,596	1,440,121,366	9,605,691,637

Figure 1. Capital Grant

Source: The Vanguard, vol. 25, pp. 43-44, No. 61920. Retrieved from <http://www.vanguardngr.com>

S/N	INSTITUTION	CAPITAL GRANT	
		CAPITAL APPROPRIATION	1ST QTR RELEASES
		N	N
1	University of Ibadan	419,609,633	54,103,424
2	University of Lagos	419,609,633	82,784,679
3	University of Nigeria, Nsukka	419,609,633	118,572,182
4	Ahmadu Bello University, Zaria	419,609,633	52,942,986
5	Obafemi Awolowo University, Ile-Ife	419,609,633	54,103,424
6	University of Benin	419,609,633	54,103,424
7	University Jos	410,342,465	52,908,538
8	University of Calabar	410,342,465	79,696,041
9	University of Ilorin	410,342,465	52,908,538
10	University of Abuja	437,342,007	56,989,792
11	University of Agriculture, Abeokuta	324,502,998	41,840,611
12	University of Agriculture, Makurdi	324,502,998	41,840,611
13	Michael Okpara Univ. Of Agricultural, Umudike	324,502,998	57,957,800
14	University of Port-Harcourt	419,342,465	66,962,727
15	Abubakar Tafawa Balewa University, Bauchi	398,891,815	51,432,120
16	University of Technology Owerri	398,891,815	51,432,120
17	Federal University of Technology, Akure	398,891,815	51,432,120
18	Federal University of Technology, Minna	398,891,815	51,432,120
19	Modibba Adama Univ. Of Technology, Yola	398,891,815	77,219,623
20	University of Uyo	419,342,465	54,068,976
21	University of Maiduguri	419,342,465	54,068,976
22	Nnamdi Azikiwe University, Awka	419,342,465	54,068,976
23	Bayero University, Kano	410,342,465	140,586,049
24	Usman Dan-Fodio University, Sokoto	410,342,465	117,377,296
25	National Mathematical Centre, Sheba	310,458,193	40,029,708
26	Nigeria French Language Village, Badage	200,458,193	25,846,582
27	Nigeria Arabic Language, Ngala	200,458,193	25,846,582
28	Division of Agricultural Colleges, ABU, Zaria	200,458,193	25,846,582
29	Federal Univ. Of Petroleum Resources, Effurun	433,117,176	55,845,053
30	National Open University	350,000,000	45,128,131
31	Federal University Oye, Ekiti	333,077,777	42,946,221
32	Federal University, Otuoke	333,077,777	42,946,221
33	Federal University, Dutse	333,077,777	42,946,221
34	Federal University Ndufu Alike	333,077,777	42,946,221
35	Federal University, Lafia	333,077,777	40,625,346
36	Federal University Dutsen Ma	333,077,777	42,946,221
37	Federal University Kashere	333,077,777	42,946,221
38	Federal University Lokoja	333,077,777	42,946,221
39	Federal University Wukari	333,077,777	46,814,347
	TOTAL	14,347,700,000	2,185,839,031

Figure 2. Approved Capital Grant Allocation and Releases for the Year 2013

Source: The Vanguard, vol. 25, pp. 43-44, No. 61920. Retrieved from <http://www.vanguardngr.com>

Isa (2013) again disclosed that in spite of 2009 FGN-ASUU Agreement and the subsequent Memorandum of Understanding (MoU) duly signed by FGN and the aforementioned document have not been implemented:

- The injection of N 100billion intervention fund since 2009 which will gross up to N 400 billion in the next three years.
- FGN Assistance to state universities.
- Progressive increase in Annual Budgetary Allocation up to 26% between 2009 and 2020 and the need to place education on the “First line charger” on the federation Account by the Revenue Mobilization, Allocation and Fiscal Commission (RMAFC).
- Setting up research and development unit by companies operating in Nigeria.

The phenomenon of allocating and disbursing a fraction of below 2% of the GDP to education in a country like Nigeria poses a serious danger to the country’s long term growth and development. Below is a Table 5 for some countries where data are available for Government spending, percent of GDP.

Table 5. Funding of Education As a % of GDP of Various Countries

Country	Funding of Education % of GDP
Lesotho	35.33
Cuba	32.21
Saudi Arabia	30.00
Oman	27.44
Namibia	27.04
Sweden	25.98
Denmark	25.69
Finland	24.38
France	23.78
Canada	21.03
UK	19.38
Italy	18.94
Australia	18.14
Poland	18.00
U.S.A	14.44
India	10.32
Ethiopia	9.01
Guinea	8.60
Nigeria	5.94
Sudan	4.58

Source: The Work Bank, 2015.

From Table 5, the highest value was in Lesotho: 35.31 percent while Nigeria 5.94 and Sudan 4.58 percent respectively where among the lowest values. Evident from the above is that the funding mechanism for education in Nigeria, as other countries, needs to be developed for the country to achieve the vision 2020 dream.

3. Implication of Education Financing in Nigeria

In the last three decades, education in Nigeria has witnessed a significant growth in terms of expansion of access through increase in enrollment and establishment of additional institutions. However, it is sad to note that many of the indices that can guarantee qualitative education are not taken into consideration in the country's quest to meet quantitative target. It has been found that political factors are the main motives behind many of the expansion policies especially, in the university system (Ekundayo, 2008). In fact, capital projects to meet the expanding programmes could not take off and

where they did take off, they had to be abandoned due to lack of funds.

Given the poor state of the country's budget to education, the current financing trend might not be sustained in the near future. The revenue from government allocations have to increase to meet this rising costs or else education at all levels will suffer setbacks either in total number of staff, in relative wage and salary increase or in capital and equipment. The fact remains that education in Nigeria has been experiencing loss of facilities, deterioration of equipment and plants and uncompleted projects as a result of financial crises facing the system.

When all this pressure does not meet with increasing revenues, the results are obvious less increase in efficiency and productivity and diminished quality and output (i.e., teaching, scholarship and services, diminished working and living condition for professors, staff and students alike) (Adewale et al., 2006). In addition, in many public institutions of learning, students are found standing outside the classrooms receiving lectures as their population has outstripped the classroom space that are available. The implication of all these is that output from this investment process in education cannot actually achieve the goals that were set for it.

It is a known fact that most of our institutions neither have a written or unwritten vision nor a mission statement to guide their activities. There is widespread shortage of qualified teachers, shortage of even classrooms, shortage of both pupils and teachers' furniture and a dearth of required funds teaching materials and textbooks. In a survey conducted on primary education cost, financing and management in Federal Capital Territory, Kogi, Kwara and Niger states, it was discovered that only 9.57% of the schools in Kwara and 27.08% of the schools in FCT had school libraries while none of the schools in both Kogi and Niger States had any school library. It was also found that 24% of schools in Kogi state, 21% of schools in Kwara state, 40.3% of schools in Niger state and 16.75% of schools in FCT did not use any form of wall chart teaching aids (Adulkareen & Umar, 1997). All these gaps have combined with frequent teachers' strikes and absenteeism in recent years to weaken the capacity of the institutions to deliver sound education.

Thus, it becomes necessary to proffer alternative strategies for sustaining the revenue base of educational institutions in Nigeria.

4. Possible Options of Financing Education in Nigeria

Financing education in Nigeria today is a crucial national problem. The political, social and economic factors, which currently have significant impact on the world economy, have necessitated the need to diversify the sources of education funding, mainly because reliance on only one source of revenue can inhibit educational growth (Akinsanya, 2007). However, these are some possible options of financing education:

- (a). Support from federal and state governments constituting more than 98% of the recurrent costs and 100% (if capital cost (Ogunlade, 1989)).
- (b). Tuition and fees.

- (c). Private contributions by commercial organizations in the form of occasional grants for specific purposes.
- (d). Consultancies and research activities.
- (e). Community participation, Auxiliaries (Enterprises, Licenses, Parents, Alumni Associations).

Other sources of finance to education in Nigeria include endowments, gifts and aids from international organizations. For example, the World Bank has' financed a US\$ 120 million project titled: Federal Universities Development Sector Operation (Odebyiyi & Ainu, 1999; Babalola, Sikwibele, & Sulciman, 2000).

In addition, the following strategies are considered as way of resourceful financing of education in Nigeria:

4.1 Cost-Saving Strategies

Many investigations studies have shown that overall cost can be reduced if the following strategies are adopted in the education sector. Below is a 8-point strategy:

- 1) Merging smaller university or, other schools of learning.
- 2) Designing multi-purpose accommodation in the universities as in Britain. Only few houses should be rented outside by school authorities.
- 3) Adopting scientific/computer based time table for space allocation. It is interesting to note that two universities in Britain increased utilization of teaching rooms from 60 to over 80%.
- 4) Taking inventory of all the material resource available in the institution and putting them to proper use.
- 5) Adequate maintenance culture which would greatly minimize wastage.
- 6) Direct labour in executing small school projects.
- 7) Stringent financial management and accountability to check fraud and financial mismanagement.
- 8) Increasing student/teacher ratio and reduction of number of expatriate are available locally.

4.2 Income Generating Strategies

The following 8-point strategies are considered by the author as good for generous income in all levels of education.

- 1) Establishing standard nursery, primary, secondary schools which can which can generate a lot of money for the university.
- 2) Establishing well stocked bookshop for commercial purposes.
- 3) Through consultancy service such as sandwich programmes, part-time programmes.
- 4) Involving faculty members in carrying out functional research. Such projects would interest industries and other commercial enterprises that would pay for them.
- 5) Establish endowment funds which should be properly managed.
- 6) Seeking support and grants form states, local government and catchment area of the school.
- 7) Seeking assistance from international donors such as UNESCO, UNICEF, World Bank, etc.

- 8) Establishing guest house within and outside the institution.

5. Conclusion

The fact remains that education in Nigeria has experienced loss of facilities, deterioration of equipment and plants and uncompleted projects as a results of the financial crisis facing the system. The phenomenon of allocating a declining fraction of below 2 percent of the GDP to education poses a serious danger to the country's long-term growth and development prospects. Large variances exist between budgetary provisions and actual expenditure because budgetary pronouncement is not backed by fund releases (Adewaleetal, 2006).

It is quite clear from the foregoing that for education in Nigeria to achieve its stated objectives, the crucial issue of funding must be squarely addressed by education managers in Nigeria. To sustain education in the country, the following suggestions are hereby made:

- 1) The present effort of the Federal Ministry of Education in collaboration with both the UNESCO and UNDP on the creation of an educational data bank is highly commendable (FGN/UNESCO/UNDP 2003). The government should give the bank all the enabling environment required to generate and analyze and bank the data. The institutional managers and teachers should be constantly trained and retrained in modern data management techniques;
- 2) There is also the need for an entirely new approach to financial management, responsibility and accountability that will enable the educational institutions to thrive during a period of constrained public support and;
- 3) All stakeholders must become involved in the financing-parents and guardians, the society in general, the private sectors and non-government agencies.

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