

**The public school principals' views on the legal functions and responsibilities regarding financial management in Limpopo province, South Africa: A missing link.**

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**Abstract**

*Various legislations such as, Section 16A of the South African Schools Act (SASA) 84 of 1996 (Republic of South Africa, 1996) and the new BELA Act 32 of 2024 posit developments in the legal functions and responsibilities for the school principals to manage school finances appropriately. These functions and responsibilities of public school principals regarding financial management, their relationship with their SGBs and provincial HoDs places them in a network of relationships which could give rise to serious professional management and governance decision making conflicts. These new developments to the school level seems to have placed principals in a difficult and untenable position regarding whose instructions and requirements to obey: those of the SGBs or the applicable HoDs. This paper investigates the underlying causes of the missing link in the interpretation of public school principals' legal functions and responsibilities regarding financial management in the Limpopo Province of South Africa. A qualitative study undertaken to explore the views of public-school principals regarding school education financial management as spelt out in legislative framework. Semi-structured interviews were used to collect and generate data from the nineteen (19) experienced public-school principals that were purposefully selected. A multiple case study design was applied. The study used the Elmore's (2009) reciprocal accountability as a*

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*theoretical framework and thematic analysis was used to identify emerging themes and categories, analyse and interpret the collected data. The findings revealed that the principals are under the impression that the legal functions and responsibilities delegated to them are an attempt by the Department of Basic Education (DBE) to transfer powers regarding the management of the finances from SGBs to public-school principals, DBE tries to give principals more power in financial matters due to lack of necessary financial knowledge, skills and expertise. These added legal responsibilities is a way in which DBE aims to hold them responsible and accountable for any financial irregularities and in the most extreme interpretation, to curtail SGB powers in order to put financial control completely in the hands of the principal. The study proposes intensive training workshops for SGBs on financial management regulations and policies as a means to improve the quality of financial management at schools.*

**Keywords:** accountability, financial management, decentralisation of powers, mismanagement of finances,

## **Introduction**

In 1994 the Republic of South Africa (RSA) started to allocate a large percentage of its national budget to public schools. This was done to ensure that all South Africans could access quality basic education by 2030 regardless of their socio-economic background (Millennium Goals Development, 2015). School funding management was decentralised to the provinces and the National Norms and Standards for School Funding (NNSF) (RSA, 1998) were created with the aim of creating a better and quality teaching and learning environment in public schools (DBE, 2024). It is important to mention that it was in line with the belief was that the closer decisions are made to where they will be implemented the better they are likely to be. The decentralisation of powers, decision-making and functions were also seen as manifestations of the government's efforts to change the decision-making system of education from the apartheid era's strictly centralised systems of decision-making is to a system that could be described as participative democracy where those affected by decisions are given a say in how they are made and implemented (Smit & Oosthuizen, 2011).

Principals as school managers are given functions and responsibilities and are accountable for managing and administering school finances effectively and efficiently. Deacon (2015) states that principals are the designated persons to whom SGBs should delegate the implementation of policies and strategies with the focal points of accountability and responsibility at schools. It is a generally accepted fact that principals play a pertinent role in the financial management and administration of public schools in South Africa in particular (Botha, 2012; Clarke, 2012).

The main question that guided this study is the interpretation of the principals' legal functions and responsibilities regarding financial management in public schools, which has not been widely researched or studied the meanings of laws in South Africa. A study of what role the DBE should play in the perceptions of public school principals of their interpretations of their legal responsibilities regarding financial management was therefore deemed important.

### **The legal and policy framework regarding the functions and responsibilities of public school principals**

Although the handling of school finances is not the sole responsibility of principals, South Africa's legislative and policy framework clearly defines and emphasises the role of public school principals in relation to the management and administration of finances.

The documents suggest clearly that the functions and responsibilities of principals as delegated by both the HoD and the SGB should never be underestimated. All stakeholders should be aware of the legislative and policy framework and be able to interpret and apply it appropriately as required by specific issues and situations. Public school principals should play a leading role in this regard as they are dealing with finances on a daily basis.

In the section below we refer briefly to selected parts of the legislative and policy framework that are particularly significant regarding financial management and administration. South African Standards for Principalship Policy (hereinafter SASP) (RSA 2016) specifies that one of the core functions and responsibilities of a principal of a public school, is to ensure that school funds are well managed and organised. School principals has the overall responsibility for the development and implementation of the budget as a plan and the financial policy and all other documents related to financial management such as financial records and reporting.

Section 16 (A) of the South African Schools Act 84 of 1996 (hereinafter SASA) (RSA 1996) specifies the functions and responsibilities of a principal of a public school. It states in subsection that (1)(a) *the principal of a public school represents the HoD in the governing body when acting in an official capacity as contemplated in sections 23(1)(b) and 24(i-j) of SASA. Sections 16(A)(2)(i-k) of SASA (RSA 1996) provide that (i) the principal must take all reasonable steps to prevent any financial maladministration or mismanagement by any staff member or by the governing body of the school, (j) must be a member of a finance committee or delegation of the governing body in order to manage any matter that has financial implications for the school and (k) must report any maladministration or mismanagement of financial matters to the governing body of the school and to the Head of Department. The above sections of SASA indicate the critical and challenging role that the public-school principal is expected to play at school level.*

The Personnel Administrative Measures (2016) was promulgated to provide principals with the information they need to effectively lead and manage their schools. The policy clearly states that school principals are expected to have all various kinds of school account and records properly kept and to make the best use of funds for the benefit of the learners in consultation with the appropriate structures.

The Basic Education Law Amendment Act, 32 of 2024 was promulgated to empower the HoD to investigate financial mismanagement, request financial audits, appoint forensic investigators for public schools, and request quarterly financial reporting by SGB to ensure the efficient, effective and economic utilisation of public funds. The principal's duty is to comply, facilitate and assist the SGB in executing these responsibilities through delegated mandates by the HoD. BELA Act, 32 of 2024 is intended to strengthen accountability of the SGB including the school principal and could influence principals' functioning and their management of finances. It could change the role of SGBs and PDEs and the relationship between principals and the other two role-players. Despite legal frameworks that can support school principals, the published research paints a gloomy picture of how legislation and legal responsibilities are interpreted in most schools. The functions and responsibilities principals are expected to perform place them in an invidious situation. Consequently, the interpretation of legal provisions is complex and context-dependent.

The findings from the research below indicate the pivotal role school principals play in the financial matters of the school, focusing on the principals' view that there is a missing link with regard to their legal functions and responsibilities regarding financial management in schools. Van Rooyen (2012), Deacon (2015), Clarke (2012), and Huber (2011) in Switzerland present similar national and international contexts that confirm that the principal is responsible for all day-to-day duties, responsibilities and activities associated with the financial management of the school and should carry them out within a hierarchical legislative framework. In South Africa, it should be noted that these duties are devolved to the principal by the SGB. The NDP (2011) aims at recognising expertise and gradually giving principals more power, including the administering of financial management in schools (SASP, 2016).

Rangongo et.al., (2016), Dwangu & Mahlangu, (2021); Sebidi, Aina & Kgwete, (2023), indicated that school principals have a clear knowledge and better understanding of their role in managing school finances effectively (as delegated by the HoD and SGB). Mafora, (2018), and Mohapi & Netshitangani, (2018), further indicate that principals reign over all critical financial decisions, promoting financial malpractices and are more dominant in financial decision making using their professional and leadership powers to overrule resolutions taken by the parent component. (Principals already had powers).

### **Research problem**

The functions and responsibilities of public school principals regarding financial management, their relationship with their SGBs and provincial HoDs places them in a network of relationships which could give rise to serious professional management and governance decision making conflicts. The interpretation of these functions and responsibilities is the foundation for the solution to the problem investigated in this study. The devolution of power to the school level seems to have placed principals in a difficult and untenable position regarding whose instructions and requirements to obey: those of the SGBs or the applicable HoDs.

### **Research question and purpose**

The findings from the literature have led to the formulation of the following research question:  
*How do public school principals interpret their functions and responsibilities regarding school financial management in Limpopo province, South Africa?*

The purpose of this study was to ascertain, through examining the perceptions and views of the principals, their interpretation of their functions and responsibilities regarding financial management at public schools. To achieve this aim, principals' perceptions, experiences and interpretations of their functions and responsibilities regarding financial management in schools were examined.

### **Methodology**

#### ***Research Approach***

The study used a qualitative, interpretive research approach to achieve the goal of articulating the meanings, attitudes, perceptions, interpretations and in-depth understanding of principals of their legislative and other obligations regarding financial management in public schools (Veal, 2011). The use of a qualitative research approach in this context is supported by Bryman (2012), Hennink, Hunter and Bailey (2011) who state that a qualitative research approach is good at providing better, richer and more in-depth perceptions of the research issues that embrace the perspectives of the study population and the context in which they live.

#### ***Research Design***

The authors regarded a multiple case study design as an appropriate design for this research. Alqahtani and Pengtong (2019) write about single-case studies and multiple-case studies and distinguish the two approaches clearly and also provide reasons why a multiple case study was

more appropriate in our research: When the purpose of the study is to compare and replicate the findings, the multiple-case study produces more compelling evidence so that the study is considered more robust than the single-case study (Yin, 2018). To write a multiple-case study, a summary of individual cases should be reported, and researchers need to draw cross-case conclusions and form a cross-case report (Yin, 2018). Our intention was to collect data from 19 participants and to base our findings on an analysis of all the data collected. The second last quote above provides the reason why we chose a multiple case study design. The fact that such as study “produces more compelling evidence so that the study is considered more robust than the single-case study”.

### ***Data Collection***

In-depth, semi-structured interviews were conducted to collect data on public school principals’ interpretation of their legal functions and responsibilities regarding financial management in schools. The interpretation was constructed from the participants’ feelings, emotions, understanding, experience and perceptions (Clow & James, 2014; McNabb, 2011).

McMillan and Schumacher (2014) describe interviews as verbatim accounts of what transpires in the discussion. Data collected during the interviews was audio-taped and transcribed verbatim to ensure completeness of the verbal interaction and provide material for reliability checks, for elaboration and in-depth understanding. Hennink *et al.*; (2011) state that interviews are used to gain a detailed picture of participants’ beliefs about and perspectives on facts, feelings and experiences, motives, present and past behaviours and reasons for feelings. Principals were interviewed until data saturation was achieved. The views were always linked to the web of relationships with SGBs and Departments of Basic Education within which principals have to discharge their duties.

### ***Sampling***

Purposive sampling was deemed appropriate and relevant as it targets a small number of participants / individuals who could be cases that are able to provide rich accounts of their experiences and crucial information. Such individuals are regarded as “knowledgeable people”, *i.e.* people who have knowledge, expertise and experience of the management of school finances (Liamputtong, 2013; Babbie, 2013; McMillan & Schumacher, 2014).

The sample consisted of 19 experienced principals from both public primary and secondary schools in the Limpopo Province Department of Basic Education. These principals were

selected from a list of public schools and learner statistics which were supplied to the researcher by the Limpopo Province Education Department. These principals were recruited to take part in the research as they were regarded as information rich and knowledgeable, because they were involved in the utilisation of school finances on a day-to-day basis, and they provided the authors an opportunity to gain a better understanding of their perceptions, feelings, behaviour and thinking about their functions and responsibilities regarding financial management at school level.

### ***Trustworthiness***

As this study focused on gathering detailed data allowing an in-depth understanding of how various principals interpret their obligations regarding financial management, trustworthiness and credibility of the findings were achieved through (i) prolonged engagement in the field, where the aim was to explore and report on the perceptions and experiences of the participants as truthfully as possible (we built relationships of trusts with the principals and schools to provide details for the narrative that presents the results). We probed and reviewed the data obtained until the participants could not add any new information. Each interview lasted until data saturation had been reached (ii) member-checking in which the researcher made the transcriptions of interviews and the results of analyses to the participants ensure that there were no inaccurate interpretations of participants' responses. (Creswell, 2014; Tracy, 2013).

### ***Data Analysis***

A thematic analysis of the data was conducted as it was regarded appropriate for analysing data, identifying categories, patterns and describing and reporting themes within the data. It was used to interpret the public school principals' perceptions of their functions and responsibilities regarding financial management. This type of analysis is recommended for studies such as this one by researchers such as Braun and Clarke (2006); Matthew and Ross (2010) and Liamputtong (2013).

### **Theoretical framework**

In trying to achieve the research goal of understanding the views of the public school principals on the functions and responsibilities, I placed my study within the theory of reciprocal accountability advanced by Elmore (2005). Elmore asserts that accountability requires an

investment in human talent or capacity. In this case, principals are tasked or delegated to manage school finances on behalf of the HoD. This requires knowledge and skills and it entails different forms and expectations. Borrero, Martens and Borrero, (1979), also view reciprocal accountability theory as a statement of clear intent by the service provider and recipient of the intended service, and the evaluation of the effectiveness and efficiency of the intent of both parties. In the context of this study, the recipients refer to the school principals and HoD. Money as a resource is allocated to schools annually. A commitment to manage funds allocated to the schools in an efficient and effective manner is required from schools. So principals need to be accountable with responsibility for every cent utilised. Borrero, et al., (1979), further state that reciprocal accountability holds or maintains that both employer and employee should be held responsible for the impact of their actions on schools. Reciprocal accountability means that if the school or Head of Department (hereafter, HoD) is going to hold principals accountable for schools' financial management then the school or HoD have an equal responsibility to ensure that principals know how to manage finances as expected. Consequences either negative or positive; and all parties must hold themselves reciprocally accountable for the improvement. Both the principals or SGBs and HoD are responsible for the success of the program.

### **Themes that Emerged**

The following themes emerged from the participants' interpretations of their legal functions and responsibilities as delegated to the by both the SGB and the HoD: (1) The functions and responsibilities are viewed as a transfer of responsibilities from the school governing bodies (SGBs) to principals, (2) as a way to give principals more power in financial matters due to lack of necessary financial knowledge, skills and expertise experienced in schools,, (3) to hold principals accountable for any financial irregularities. (4) and to curtail SGBs' powers.

### **Interpretation of the Data and Findings**

The findings cast light on how principals perceived their delegated functions and responsibilities in financial management. As a way of understanding their perceptions, their accounts were related to the available literature and compared.

## **Presentation of Data**

Principals' perceptions show various and differing (even opposite and conflicting views or interpretations of their functions and responsibilities. In the sections below, the authors' interpretations of principals' views are supported by quoting from participants' responses. To protect the anonymity of the selected participants, we used codes (P1 – P19 for principals) in the text below. Quotations are provided verbatim and have only been edited to enhance the readers' understanding of the meaning of the quotations.

*A transfer of powers and responsibilities from School Governing Body component to school principal.*

Most of the principals (P 1, 4, 9,13, and 17) interpret the way the DBE deals with them and their financial functions and responsibilities as professional managers as an attempt by DBE to transfer the financial responsibilities from the SGBs to the principals in rural areas. They believe that the DBE wants to micro-manage SGBs and may even use this technique to deflect attention from its failure to provide adequate education and “manipulate” data to make the department's performance look better or create a good impression.

P4 indicated that: *“For principals to be given these responsibilities, the department must have realised the challenge of dysfunctionality it has in terms of the governing bodies. So it thought it would be better if it shifts these responsibilities from SGBs to principals in order to micro-manage the SGBs”*

P9 understands these legal responsibilities *“as a way of the department to shift financial powers from the SGB to the principal for the principal to account at the end of the day.”* P13 commented that *“the department should have realised that “SGB parent components fight for been elected thinking that they will benefit from school funds. and looking at the school funds as cash cows, so it came with amendments to monitor and control funds and to eliminate the corrupt activities and to create a conducive working environment to manage finances appropriately.”*

P1 added that *“The department is shifting the responsibilities solely to school principals because they already have financial duties and responsibilities to handle everyday through spending (income and expenditure), budgeting every year and submitting financial books for auditing as well as submitting Audited Financial statements to DBE”*

The views of most of the principals interviewed is that school principals should have more powers to control over how money is spent because they are the closest to school challenges and are in a better position to make spending decision. According to Diamond, (2015) the principal is heavily and actively involved in school finances, acts as a chief accounting officer, and plays an active role in all financial processes, and SGBs have a tendency to rely on the principal due to lack of skills and knowledge.

*Lack of financial knowledge, skills and expertise*

The responses from most of the participants (P3, 12, 16, 18, 19,) indicated that there is a concern with regard to the financial knowledge, skills and expertise or capacity from the parent component of the SGBs which is prompting DBE to transfer powers from the SGBs to school principals.

P12 pointed out that *“most of the SGBs parent components do not understand their financial responsibilities due to lack of knowledge of the legislation, hence, are delegating financial management responsibilities wholly to principals in order to blame them when there are financial irregularities.”*

P18 indicated that *“DBE has realised a loophole from SGBs in terms of financial knowledge, skills and expertise, hence singling out school principals as overseer at school level.”*

P3’s view was that *“the capacities of the SGBs were underestimated. The rural public schools had most of uneducated, illiterate and unprofessional parents as the SGBs’. So this created an impediments in most rural schools to administer their schools finances.”*

P19 also responded by saying, *“from my understanding and experience, most of the principals are not familiar with legislation and financial responsibilities, as a result, they are unable to interpret it to their SGBs instead shift the blame for their failures to the department.”*

These findings are in line with what the research presented. Aina & Bipath (2020), Basson & Mestry, (2019), Dwangu & Mahlangu (2021), Kruger, Beckmann, & Du Plessis, (2022), Lumadi, (2020), Myende et al., (2018), Rangongo et al., (2016), Sebidi et al., (2023), Sebidi (2023); all alluded in their study that many SGB members are illiterate and lack the necessary knowledge and financial skills which are barriers to effective and efficient management of schools finances and taking proper financial decisions. This has resulted in more financial responsibilities assigned to principals by both the SGBs and the HOD.

*To hold principals accountable for any financial irregularities*

Principals (2, 15, 6 and 10)'s perceptions of these functions and responsibilities are that they represent an attempt by the PED to hold someone accountable for school finances and at the moment is the SGBs.

P2 pointed out that *“these legal responsibilities are the right amendment to curtail the powers of the SGBs and to hold principals accountable for any financial irregularities.”*

P15 interpreted the changes to the law *“as a transfer of responsibilities from the SGB to the principal to ensure accountability, but with no transition, no proper orientation, no proper transformation and intensive training.”*

P10's opinion was that *“these legal responsibilities were giving the principal unlimited access and power over school finances, as to make the principals accountable for the misuse of any money in schools.”*

P6 said, *“I think the department realised that there was lack of accountability on how public funds are spent in schools. The department wants somebody whom it can give the responsibilities to oversee schools' finances and to be held accountable if there is any misconduct or mismanagement and to apply consequence management.”*

Participants' perceptions are that these functions and responsibilities represent an attempt by the HoD to hold someone (at the moment it is the SGBs) accountable for school finances. From the above responses, we can say that if the school level professional management and governance structures are held accountable for problems with schools' finances, it may shift the attention away from the incompetence and failure of the DBE to provide enough funds so

that quality education can be provided. In a way, this opens the way for the HoD to blame and charge the school principals for the conspicuous failure of the education system, which is reflected in the fact that, at best, only 20% of public schools in South Africa of functional.

*Curtailing the powers of School Governing Bodies*

The school principals (P5, 7, 8, 11, 14) viewed their delegated functions and responsibilities by both the HoD and SGBs as a withdrawal of power from the SGBs. P5 pointed out that *“these legal responsibilities are the right amendment to curtail the powers of the SGBs and to hold principals accountable for any financial irregularities.”*

P7, commended that *“I think DBE has realised that there is lack of transparency and accountability in managing school finances from most of the SGBs. So, it is attempting to withdraw powers vested mainly in the SGB chairpersons and treasurers as main custodians of funds to solely the school principal and to hold him or her responsible and accountable to the HoD as per various legislative framework.”*

P14, states that *“DBE has realised that some SGB members with little knowledge assume that they have more authorities than the principal and start undermining the principal.”*

P7, also states that *“DBE has realised that appropriate person to hold accountable and charge him/her for cases and reports of mismanagement and misappropriation of funds is the principal and not the SGB as a component.”*

P11 also indicated that in some schools *“DBE has realised that SGB chairpersons and treasurers are having a questionable relationship for the wrong motive, they sometimes undermines and override principals’ advise and inturn sue the Department, so the department wants to curb the misuse of school funds for legal matters against the department.”*

The school principals viewed their delegated functions and responsibilities by both the HoD and SGBs as a withdrawal of power, as a way of micro-managing the SGBs. Veriava, (2024) explained that the BELA Act intends to downscale the power of the SGB in the sense that they would not possess financial decision and authority regarding finances. Many SGBs place very little importance on the oversight functions of the budget which result in the mismanagement

of school funds. So DBE wanted to curb wasteful and fruitless expenditure. (King & Mestry 92023).

### **Discussion and Implications**

The aim of this article is to understand the missing link in the interpretation of the functions and responsibilities regarding financial management. It is clear that there are different interpretations of public-school principals' functions and responsibilities regarding financial management. The principals believe that the HoD tells them to instruct the governing body what to decide. Principals view these functions and responsibilities as a shift of responsibilities from the school governing bodies (SGBs) to principals, as a way to give principals more power in financial matters due to lack of necessary financial knowledge, skills and expertise experienced in schools, to hold principals accountable for any financial irregularities and to curtail SGBs' powers.

These attempts by the DBE is in conflict with sections 16 (1-3) of SASA which the government amended through the Basic Education Laws Amendment Act, 32 of 2024) which amended SASA. These different interpretations emanate from the failure of the DBE in its obligations and duty to prepare and empower people who are not really, to accept certain responsibilities for their responsibilities (Constitution, Act 1 of 1996, s195); and (s19 of SASA) also requires DBE to train its SGBs including the school principals.

These responses indicate that the principals are in the middle, between the SGB and the HoD. They are in a precarious position. This causes a great deal of tension for the principal and conflict within the SGB. Principals do not know whom to satisfy, the HoD as the employer or the SGB. The responses indicate that the provisions are interpreted differently by different principals. The results of these different interpretations are detrimental to financial management at school level; they sometimes lead to poor financial management and less visibility of the SGBs, which leads to poor quality education. The idea is that the legislation is there to create uniformity and to give guidelines but if different people interpret the law differently, chaos and confusion prevail at schools such as mismanagement or underspending, non-accountability.

The data analysis has revealed a restricted and narrow interpretation of the law. The perceptions of the principals have shown that there is a shift of power from decentralisation at the works by Du Plessis (2021) to place what is happening in decentralisation (from the governing body) to centralisation (to the principal) by the HoD. The DBE wants to control everything and manipulate all results. Viewed in this light, it is not far-fetched to say that the DBE is re-centralising powers in this regard to hide its failures. Ultimately the different understandings and interpretations have serious implications for the management of finances and the education of learners. The data analysis has revealed that, although public school principals in general seem to understand their legal responsibilities in terms of financial management, the manner of managing finances in the public schools does not reflect this understanding.

In the case of Sasolburg Technical High School where the court ruled that the Department could not access certain financial documents without the permission and cooperation of the school. There is no way that the DBE could annul the present legal provisions in section 16 of SASA. To be able to change the current provisions regarding financial management and accountability, SASA must be changed. The battle about the BELA Act, 32 of 2024 shows clearly that there are very strong and clear and conflicting views among stakeholders about what the powers of the Department should be. These interpretations have serious implications for the financial management and the education of learners in public schools in Limpopo Province. The perceptions expressed underscore the fact that participants view the content of section 16A (an insertion into SASA) and BELA Act, 32 of 2024, as an attempt by the Department of Education to transfer powers regarding the management of school finances from the SGB to the public school principal with the presumption that he or she can manage and administer these funds better. This has made the position and the job description of the principal even more complex, untenable, and difficult because it may create power conflict and confusion over the role of a principal relating to school finances (Bathon et al., 2011; Van der Merwe, 2013).

Most of the participants interviewed shared the sentiments presented in the above paragraphs. Participants' perceptions are that their legal functions and responsibilities is a way of the Department of Education to rectify its mistakes of the past, of giving the SGB full financial powers with the school principal as the spectator (SGB member without voting rights/ex officio

member) and not as a major role-player. Their perception is that school principals should have more powers to control over how money is spent because they play a pivotal role in the management of finances and are closest to school challenges and are in a better position to make spending decision. There are always conflicts between principals and the SGBs who feel that they are in-charge of the school purse, so much that they tend to marginalise and undermine the principals and are having too much influence on using school funds irregularly in litigations against the department.

School principals already know the legislation pertaining to financial management, are administering school funds, preparing annual budget, influence on the outcome of Audited Financial Statements as well as overseeing the day-to-day management of the school and has to implement many directives and policies formulated by the DBE and the SGB. DBE has realised that most of SGBs lack necessary skills, knowledge and expertise, and in this era schools need a person with competency to manage millions of money and stock or property within the legislative framework. DBE might have realised that there are many loopholes in financial management. The department wants somebody whom it can give the responsibilities to oversee schools' finances and to be held accountable if there is any misconduct or mismanagement. Through school principals' views, DBE's aim is to safe the state fiscus and tax payer's money; to eliminate the corrupt activities, and to come up with a better legislation in terms of regulating the school finances. As well as to enable the state an ample time to amend SASA. Principals as HoD's representatives have been managing NNSSF funds from DBE 100%, spending (income and expenditure), budgeting every year and submitting financial books for auditing as well as submitting Audited Financial statements to DBE. The other reasons are to curtail the powers of the SGBs and to micro-manage schools through the powers vested in the HoD and delegated to school principals.

## **Conclusion**

The provisions of s16 A of SASA and s31 of BELA Act 32 of 2024 are interpreted differently by different principals as school financial managers. The result is poor performance, poor usage of finances resulting in inadequate education. We have reflected on public school principals' interpretation of their legal functions and responsibilities regarding financial management. The findings have informed the conclusion that public-school principals have legal functions and

responsibilities as laid out by law. There is limited agreement in these obligations regarding financial management among the majority of public-school principals as perceived by the principals themselves. This limited degree of sound interpretation and a lack of knowledge, skills and expertise in finances are due to the unavailability of legislation and ignorance of the law, have an adverse impact on the financial management and the education of learners in public schools. As a result, schools experience a lack of planning, organisation, direction and control of finances, leading to irregular, wasteful and fruitless expenditure, financial mismanagement and a culture of non-accountability. Further investigations may be required regarding how public-school principals interpret their legal functions and responsibilities regarding financial management in other provinces and in the South African context. The findings of this study highlight the need for a broader study and interrogation of various legislative and policy provisions regarding the responsibilities of public-school principals and financial management. There is still a significant knowledge gap to fill in terms of training to empower school principals with skills and knowledge about their valuable role regarding financial management.

### **Recommendations**

The study has found that a superficial understanding and interpretation of statutes is a serious challenge and more initiatives should be embarked on to educate principals regarding what the legal frameworks for legal responsibilities entail. Therefore, effective and intensive training should be a key component and obligatory before any amendments and/or laws regarding financial management are implemented in schools. This could be done to facilitate better interpretation of the law and compliance with the principles of sound financial management.

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