

# **Revitalizing Education Through Alternative Funding of Public Universities for Sustainable Economic Development in North Central Zone, Nigeria**

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## **Abstract**

University education is the instrument par excellence for development and there is the ultimate need to make it relevant and responsive to the needs of the society. It is a commonplace knowledge that education and some other sectors had suffered from inadequate funding in Nigeria over the last two and a half decades. A reliable and sufficient funding platform is a necessity for achieving access to and excellence in university education in Nigeria and Africa as a whole. Sources and systems of funding for Nigerian Universities have proven inadequate and innovative or alternative funding mechanisms have become very important more than ever before. This paper investigates the revitalizing of education through alternative funding of Public University for sustainable development in North Central Nigeria. The paper used the descriptive research design and *expo facto*. The population for the study were all the public universities in Nasarawa State. The paper made use of a self-design questionnaire titled “Alternative Source of Funding University Inventory” (ASFUI) for data collection. The data collected were analyzed with descriptive statistics such as percentage and bar charts. Findings shows that tuition for post graduate, other fees such as registration library I.D card, private donations by individuals, Gift and endowment, consultancy services/ups linkages, are the available alternative sources in universities in North Central, Nigeria. The finding also revealed that all the available alternative sources funding is not available in the Federal Universities as compare to the State Universities. The study recommended that; Universities must increase their internally generated funding levels and make all stakeholders to share in the cost of Education. It is important that funding for Postgraduate training and research be enhanced.

**Keywords:** *Alternative financing, University, Funding of Education, Funds Allocation*

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## **Background to the Study**

Education has a long history as an international priority, and the right to education was first enshrined in the Universal Declaration of Human Rights in 1948. Improving education and ensuring all people are afforded a high standard of education will be reaffirmed as a key global goal of development under the post-2015 development agenda. The recent synthesis report of the UNSG on the post-2015 development agenda stated that “high-quality education and life-long learning” and the capacity of teachers are key factors in empowering youth as a “globally connected engine for change” (UNSG, 2014). In fact, many people around the world believe that education is the most important goal for this agenda.

## **Alternative Sources of Financing University Education**

There is an obvious financial crisis in the Nigerian Universities, but the impact seems to differ from one institution to another depending on the proprietor of the institution either state or federal. Okebukola (2002) and Sodunke (2001) were of the opinion that the state universities are worse hit by the financial stringency. It also appears that the federal universities are more funded by the federal government, this may not be connected with the fact that the Federal government is their sponsor and can afford to allocate more money to these universities, while the state universities are managed by the state government which may not be able to spend much money as the federal government. It then seems that the state universities were forced to involve more on alternative sources to complement the government subvention more than the federal universities.

The fact that funds allocation could not meet the university education need was made obvious when the government requires each university to source for at least 10% of its income through alternative sources. Onuoha (2013) added that the federal government through the National University Commission (NUC) has continuously directed all federal universities to explore ways of generating revenues through alternative sources such that the management would not have to look up to the government for solving all their financial problems. Alternative sources of finance are other means through which money comes in apart from government subvention. Some of these alternative sources have been identified to include: Tuition and fees, private contribution, consultancy and research activities, community participation, auxiliaries (i.e enterprises,) Alumni, gifts and endowment, and international aid.

Academic Staff Union of University(ASUU) has gone on strike for several times namely: 1992, 1993, 1994, 1996 (five months), 2001(three months), 2002(two weeks), 2003 (six months), 2005(three days), 2006(one week), 2007 (three months), 2008(one week), 2009 (four months), 2010(five months), 2011(three months), 2013(six months), which ended in 2014), 2017(one month), 2018 (three months), 2020 (nine months) and 2022 (three months). Arikewuyo (2008), Sam-Ewang (2009), Ebele (2013), and Nasiru (2014) referred to the strike as being on funding for the system.

This calls for the need to find out the alternative sources which have been put in place by the universities and to discover whether the available alternative source are fully employed by the universities.

According to Okojie (n.d.), Universities may utilize a variety of creative strategies such as the following:

- a. **Alumni Relations and Associations:** These include alumni tracking, database provision for alumni, periodically contacting alumni – this maintains sense of belonging in alumni, and ensuring transparency and accountability through alumni representation.
- b. **Consultancy Services:** Universities have enormous resource of knowledgeable competencies which could be along the lines of capacity building services, advisory/technical services, and management development services.
- c. **Linkages/Partnerships:** These may include philanthropist/donor agencies, collaborative research and development, or creation of departments to provide services such as Information Communication Technology (ICT).
- d. **Small and Medium Scale Enterprises:** Shops or halls may be built up for rent; business outfits such as cybercafés, fee-for-service parking lots, laundry or cleaning services, transportation services, or student-work based programmes ventures may be leveraged upon.
- e. **Manufacturing/Processing:** Illustrations here could include fabricating tools from idle time of training foundries, processing of foods, and developing useable products from research results.
- f. **Community Participation:** Host communities could donate infrastructures or land to universities as a result of some good community relations while the existence of a Parents Forum also provides an avenue for community relations.
- g. Other opportunities abound for fund generation e.g. Waste to wealth initiatives (recycling According to Onuka (2008), suggested alternative sources of funding should include: Increased government subvention; Increased philanthropic gestures; More endowments; Re-introduction of moderate tuition; Property ownership; Development and sundry fees; Provision of research and invention (patent); Soliciting funds/fund raising; Revenue from increased public services by universities; Mounting of specialist training programmes; Improved alumni contribution; Involvement by the corporate world; Improved revenue consultancy services; and More investments by the universities /hiring out of facilities.

### **Statement of Problem**

The National Policy Implementation Committee has urged all Nigerian universities to source for at least ten percent of their required total income annually. This is to augment the annual government subvention which seems to be inadequate. This is informed by the government funding in the public universities that is becoming irregular and inadequate funding's coupled with deplorable state of infrastructures in the universities, such as inadequate lecture theatre most especially in the state universities and some federal universities. Therefore, this paper deem it fit to investigate the revitalizing of education through alternative funding of public university for sustainable development in North Central Nigeria, taking two universities in Nasarawa State as it focuses.

## **Objectives of the Study**

The purpose of this study was to investigate the revitalizing of education through alternative funding of public university for sustainable development in North Central Nigeria. Other objectives are;

1. To find out the alternative sources of funding education employed by universities in North Central Nigeria.
2. to find out which university employs more alternative sources of funding of education in North Central Nigeria,

## **Research Questions**

The following questions were raised to solve the problem of the study:

1. What are the alternative sources of funding education employed by university in North Central Nigeria?
2. Which university employs more alternative sources of funding of education among the Universities in North Central Nigeria?

## **Methodology**

This study is descriptive research design and *expo facto*. It involves the use of inventory to collect data from the budget section of the universities, income expected from the various alternative sources and the income generated as an indication that such alternative sources are employed in the universities. The population for the study was all the universities in Nasarawa State. The sample of this study comprises of the public universities in Nasarawa State which are the Nasarawa State University, Keffi and Federal University, Lafia. The researcher made use of a self-design questionnaire titled "Alternative Source of Funding University Inventory" (ASFUI). This consists of two sections, Section A and B. Section was used to extract information on the alternative sources employed in the universities and their budgeted income between 2019 – 2023 as an indication that such sources are employed, only section A is applicable in this study. The 'Face' and content validity of the instrument was ensured by the help of experts in the department of Test and Measurement, Educational Management. The data collected were analyzed with descriptive statistics such as percentage and bar charts.

## **Data Analysis and Results Research question one:**

What are the alternative sources of funding of education employed by universities in North Central Nigeria?

**Table 1:** The Alternative funding of Universities in North Central Nigeria

	Budgeted income	Actual income	comment
Cost sharing with student recovery/cost recovery	1, 382, 623,985	1, 284, 696, 680	In place
Tuition (post Graduate)			
Loan	1, 898, 553, 393	2, 234, 997, 273	Not in place
Other fees e.g. Reg, library I.D			
Bursary to student			
Private contribution			
Private donations by individuals	7, 707, 656	1,000,000	In place
Alumni			
Gifts and endowment	70, 000, 00	2,000,000	Not in place
Contract and agreement with private & public agencies			
Consultancy services/ UPS linkages	160, 000,000	136, 325, 898	In place
Income generating activities			
Academic programme			
Foundation programme (Diploma courses and Part time)	2,340, 000,00	1, 844, 800, 800	In place
Human resources (sandwich & professional courses)	2,800,000,00	2, 787, 768, 893	In place
Distance teaching & open learning			
Pure correspondent			
Printed materials with TV, Radio, Video and Audio cassette			
Printed materials and face to face	1, 976, 706, 185	1, 730, 589, 842	In place
Commercial ventures			
Secondary schools	1, 625, 750,000	1, 232, 524, 842	In place
Primary schools	169, 921, 000	138, 318, 563	In place
Bookshops	830, 000,000	517, 440, 495	In place
Printing press	457173,172	132, 739, 905	In place
Filling station			Not in place
Guest houses and conference centre	845, 069, 056	368, 572, 918	In place
Pharmacy	161, 497, 345	77, 214, 216	In place
Laundry central	91, 086, 258	51, 336, 428	In place
Water unit	288, 856, 856	178, 171, 087	In place
Car wash	11, 864, 000	3, 545, 295	In place
Car park	46, 750, 790	15, 950, 965	In place
Biological garden (livestock rearing, creative arts)	6,000, 000	2, 561, 485	In place
Agric and food processing			Not in place
Property/investment company	226,817, 192	136, 284, 677	In place
Auditoria mgt. (halls)	414, 022, 630	462, 697, 275	In place
Supermarket			Not in place
Radio station	1, 875, 000	16, 559, 990	In place
Foreign grants/international aids	11, 000,000	0	In place

Table 1 shows that tuition for post graduate, other fees such as registration library ID card, private donations by individuals, Gift and endowment, consultancy services/ups linkages, foundation programme, human resources i.e. sandwich and professional courses, face to face distance learning education and printed materials, secondary schools, primary schools, bookshop, printing press, filling station, guest house and conference centre, pharmacy, laundry services, water unit, car wash, car park, biological garden, property investment company, auditoriums management, supermarket, radio station and foreign grants are the available alternative sources in the federal university. Pure correspondence in distance learning education is not in place, in the University, the distance learning education available is that which involve face to face printed material, video audio cassette and internet services. Alumni, loan to students, Agriculture and food processing, filling station supermarket under commercial activities are also not in place in the federal university.

**Research Question Two:** Which university employs more alternative sources of funding of education among the Universities in North Central Nigeria?

**Table 2:** Employment alternative sources of funding of education among the Universities

University	No of alternative available	No of alternative source employed	Percentage employed
NSUK	32	23	72
FU Lafia	32	7	22

Table 2 shows that the Nasarawa State University, Keffi employed 23 alternative sources while the Federal University, Lafia employed 7 alternative sources. Nasarawa State University, Keffi employed more alternative sources than the Federal University, Lafia.

### Discussion

The result of this study revealed that tuition was available as an alternative source of fund in the Federal University but it was employed at Postgraduate level only while both Postgraduate and undergraduate pay tuition in State University. This may be as a result of the government directive that the collection of tuition should be banned in the universities. Many of these undergraduates may be children of elites hence their nonpayment of tuition is a form of economic wastage to the Nation (Popoola, 2000). This was contrary to the opinion of Sodunke (2001) and Okebukola (2003) that State Universities employ more alternative sources because they were worse hit by financial inadequacy. The study also revealed that pure correspondence which requires non-face to face learning in distance learning was not available in the Universities. However, face to face with printed materials was available in Federal university. This might be as a result of negative environmental constraints such as the required technological equipment and facilities. This supported the submission of Onuoha (2013) that some universities are faced with negative environmental constraints in the drive for alternative sources as funds generation. Pure correspondent in distance learning would

have been a great source of income for the universities as this will enable more learners whose job would not have enabled them were given opportunity to further their education, hence more fund would be generated.

The finding also revealed that all the available alternative sources of commercial venture are not available in the Federal Universities as compare to the state universities. This contradicted the report of Onuoha (2013) where commercial activities were seen as the commonest alternative source. It therefore implies that commercial services such as car park, car wash, houses and others are not part of alternative generation of fund in the state University. This may be as a result of ignorance on the part of the university management on the extent to which these sources can bail them out of the financial stringency prevailing in the university. The study revealed that the alternative sources available were not fully employed by the Federal and State Universities in Lagos State. This might be due to the fact that the government for long has been the sole financier of Universities in Nigeria (Adebayo 2016). The result of this study also revealed that the Nasarawa State University, Keffi employed more alternative sources of fund generation than the Federal University, Lafia. Despite the fact that the Federal University appears more hit by the financial stringency. However, this is contrary to the opinion of Rowell (2016) that tuition is not part of Federal University alternative generation of funds.

### **Conclusion**

The need for alternative sources of fund generation in Nigerian Universities cannot be overemphasized in the face of the present financial stringency. A nation's overall advancement is a direct function of the quality of the educational attainment of its citizens and quality of education is dependent on sustainable funding. The financial constraints in Nigeria have made education to suffer as the Government has not been able to fund higher education effectively and efficiently due to politics, prevalent economic crises, and corruption. The society needs to get involved in the provision of university education because laudable objectives can hardly be accomplished if university education is not adequately funded. To sustain higher education in the country, all stakeholders- parents and guardian, the society in general, the private sector and non-governmental agencies must become involved in financing. The committed pursuit of alternative or creative funding strategies such as Internally Generated Revenue (IGR) offers the opportunity of not just enhancing good education quality but of training students to be hard-working, self-reliant, job creators and positive contributors to the socio-economic and political development of Nigeria after their university education.

### **Recommendations**

In order to bring the Nigerian University system out of the woods of underfunding, the following pertinent recommendations become important:

- a. Universities must increase their internally generated funding levels and make all stakeholders to share in the cost of education. It is important that funding for postgraduate training and research be enhanced.
- b. Governments should imbibe the culture of patronizing their universities to encourage

putting into realistic use ideas emanating from the ivory towers. Universities are supposed to have laboratories and equipment that hospitals outside can make use of and pay for. Like the American education system that is more pragmatic, Nigerian Universities must be able to solve problems and make money from their services and output.

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