



## **Issues and Challenges in Private University Education in Africa: Funding of Private Universities in Nigeria**

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### **ABSTRACT**

This paper examined funding of Private Universities in Nigeria. The Federal Government has fully accepted Private Universities in the country which at the moment are up to forty – one. The paper contends that the funding of the Private Universities should be a major concern of the Federal Government through the Education Tax Fund and Petroleum Technology Development Fund as much as she is concerned with the Federal and State Universities. If Nigeria truly believes in Education for All as a Millennium Development Goal, part of the citizens should not be cut off just because they are attending Private Universities where they are to be empowered to serve the same nation. Since Education is the vehicle for the attainment of the nation's 7 – Point Agenda, adequate funding of both public and Private Universities is imperative. Recommendations include the call on the Federal Government to comply with the 1925 Education Memorandum that asked the Government to assist all voluntary agencies that are running schools and are doing well. Private universities should be assisted from Educational Tax Fund(ETF) and Petroleum Technology Development Fund(PTDF). Private Proprietors should diversify their sources of funding.

### **INTRODUCTION**

Private universities have come to stay in Nigeria. At the moment, Nigeria has 103 universities, comprising of 27 federal, 35 state and 41 private universities. Speaking at the Post Federal Executive Council briefing held in October 22, 2009, the Minister of Information said:

Considering our rising population and this administration's desire to improve skills and enhance standards as one of the Seven – Point Agenda, Council therefore considered and approved the issuance of provisional licenses for the establishment of the seven (7) private universities (Akunyili 2009: 24).

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The addition of seven new private universities has made the private universities more than Federal and State Universities respectively. Supporting the reason for the issuance of licenses to private proprietors, the minister of State for Education, Dukku (2009) said that over one million candidates applied for university admission in 2009 through the Joint Matriculation Examination and only about 220,000 could be accommodated.

With the enforcement of carrying capacity by the National Universities Commission, and the commission's hammer on satellite campuses, the existing Federal and State Universities no longer have solution to timing population of applicants looking for admission into the universities. Without doubt, more private universities are needed. Applications above assertion and admissions into the universities displayed by Ojerinde justifies the above assertion.

**Table I:** Applications and Admissions into Nigerian Universities (2001-2009).

Academic Year	Universities Application	Admission	%
2001	893,259	106,304	11.90
2002	1,028,988	129,525	12.60
2003	1,172,313	175,358	14.90
2004	1,043,361	108,148	10.40
2005	926,133	125,673	13.10
2006	1,030,670	107,161	10.40
2007	893,259	149,033	16.70
2008	1,028,988	183,420	17.80
2009	1,185,574	211,991	17.90

Source: Professor Dibu Ojerinde (2009).

From the table, the highest ever admitted was 17.90% in 2009. The remaining 82.10% were not admitted not merely because they were not qualified but because the existing universities could not accommodate them. The applicants have desire for universities Education and the nation must not deny them. The answer to this problem is more private universities . In a nation of more than 150 million and almost 2 million applicants seeking for admission into the universities yearly, the Federal Government must be commended for decisions taken so far to reduce the number of these wandering applicants.

However, while commending the Federal Government for the wise decision to increase the number of private universities, she must be informed that poor and inadequate funding remains about the biggest bane of education in Nigeria today even with the government assisted public universities let alone private universities abandoned to the proprietors alone. According to Babalola (2010) "For the university system to function appropriately, the question of adequacy and stability of funding is a *sine qua non*. Put in

another form, consistent and adequate funding is backbone of efficient and functional universities the world over.”

Because the private universities are not assisted in funding, school fees remained their major source of income and this has been the reason for high school fees in private universities. Tuition fees alone ranges from ₦210, 000 (Crawford University) to N1, 038,000(ABTI American University of Nigeria). Many brilliant commoners are cut off from private universities because of this singular reason so that private universities main problem is the meeting up with their admission quota. This has defeated the essence of creating more universities if the timing populace that passed JAMB could not get access into the university education. It is the aim of this paper to call on the Federal Government in particular to rethink the funding of private universities in Nigeria. It is also aimed at suggesting to the private proprietors diversified sources of income that could help raise their funds so that school fees charged could be reduced to affordable level so that many Nigerians could get access to these most desired private universities.

### **Merits of Private Universities**

The private universities have so far conducted themselves in ways to attract the attention of the Federal Government, instead of begging for it. Daniyan (2004), The Chairman of NUC’s Committee monitoring Private Universities (COMPU) had commended all the private universities for toeing in the right direction. Instead of dwindling of standards found in the public universities, standards are increasing for the private universities. From the summary of findings of the monitoring committee, the following are the merits of the private universities.

- **Accreditation of programmes**  
All the mature programmes of the private universities have received either full or interim accreditation by NUC and relevant professional bodies
- **Systematic Growth**  
All the private universities have conscientiously regulated their student population to match available human and material resources.
- **Stable Academic Calendar and Cult-free Campus**  
The private universities maintained stable academic calendar and cult free campuses. The institutions had come up in various ways, departing from the norms, with innovative administrative styles that they believed would bring about positive impact and change on their students. The proprietors were in most cases directly involved with the day-to- day running of the universities.
- **Standards of Discipline and Attitudinal Change**  
It was observed that all the universities had in one way or the other insisted on standards of discipline and attitudinal change. Some of administrative policies and techniques included dress code, demerit

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chart, provision of conducive environment, and work-study programme as well as good relationship with industries.

- **Infrastructural Development**

The Committee noted that the universities visited had made heavy investment on large-scale infrastructural development.

- **Funding**

It was observed that the proprietors/chancellors were the sole financiers for the capital development of the universities. Fees charged were in most cases within reasonable range.

- **Quality Graduates**

The committee noted that the private universities have all it would take to produce quality graduates that are disciplined, have the fear of God, possess leadership qualities and job creators and not job seekers.

- **Research Output**

In addition to the report of COMPU, private universities have started pulling their weight in research outputs. In the Universities Research Fair organized by NUC in 2005/2006 session, some private universities won awards for research products. Benson Idahosa University won award for development of an all-time feeding formula for broilers. A feeding formula that yields two times more than the normal feeding formula.

Students of the university have produced soft wares for e-learning, campus security and management in the cafeteria. A student of the same university, David Momodu invented a **multipurpose spraying machine** in 2007 and was awarded a medal as one of the best inventors at the international summit in New Delhi, India. The same student invented a **Multiple Cap Opening Machine** that same year and was awarded a medal at second international summit for inventors in Indonesia. (Omuta, 2009). In 2008, the same student invented **Hair Braiding Machine** that earned him the World Intellectual Property award in the Third National summit for inventors in Taiwan. Right now, Momodu is fine tuning memoranda of understanding with some Korean and Chinese firms to mass produce some of his inventions. (Omuta, 2009).

Other merits of private universities include setting up of machinery for monitoring of teaching processes for quality assurance. This mechanism checks both teachers and students class attendance, amount of topics covered in the scheme of work, amount of assignment given and projects actually carried out by students. Another achievement of private universities is

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possibility of evaluation of lecturers by the students. This has enhanced internal quality assurance.

In summary, in the nation's private universities, there are no disruption of academic programmes because of consistent strikes by unions, no sexual harassment, no blocking or sorting and their lecturers do not abandon lectures or project supervisions to be globe trotting as lecturers in public universities do in the name of sabbatical. Students know when to start and when to finish. Skills are acquired as expected and hence files in these universities are full of high employers ratings of their products, in contraction to the findings of national survey on labour market expectations of Nigerian public universities graduates. (Omoregie, 2005). Quoting from the national survey report,

“university education in Nigeria does not adequately prepare graduates for the work. This is manifested in a number of deficiencies the graduates exhibit in the workplace.” (NUC, 2004:23).

Without missing words and using the words of Babalola (2010), **“the future of higher education in Nigeria is bound up in the future of private universities.”** This is why the rethinking of funding of private universities by the Federal Government should be a matter of urgency. If most of the universities which ranked among the first 1000 universities in the world ranking are private universities (Okebukola, 2004), Nigerian private universities shall not do less.

#### **Funding Challenges in Private Universities:**

It is a great misconception for anyone to think that private universities are established for profit making. Private universities are complementary efforts towards education by individuals and organizations who want to affect lives and bring effective change in the land. These desires could be interpreted from their visions and missions and from their logo. Benson Idahosa for example has Academic Excellence with Godliness inscribed on the logo. Their mission is to raise up leaders who are academicians, professionals and entrepreneurs who are complete, mentally, body and spirit and who will go as disciples of Jesus Christ in their field of endeavour to change their world. Hence their Core Value is to change Nigeria. These private universities are not established for money making but out of passion to bring a change looking at the ugly situations in the existing universities. No one single individual can successfully run a university and sustain it over years without external help. This is due to numerous funding challenges as discussed below:

##### ➤ **Inadequate lecturing facilities**

Of course, the available funds determine the adequacy of lecturing facilities. The private universities from their missions and objectives are determined to

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offer the best to their students but are largely constrained by funds. Lecture rooms are shared by different courses to the extent that some have not been able to demarcate blocks and tag them appropriately by courses. Lecturers are equally sharing offices like it is done in the secondary schools. Laboratory equipment and Agricultural tools are shared among student during practicals .

#### **➤ Underdeveloped Laboratories Studio/Research Farms**

While the older universities are suffering from obsolete and dilapidated laboratories, studios and Research Farms, the private universities either do not have or have underdeveloped ones. The private universities need fund for Biological science laboratory, Chemistry laboratory, physiology and Anatomy laboratories (for those offering medicine), computer science laboratory, Mechanical Engineering Workshop, Mass Communication Studios, Language Laboratory, Education Laboratory, Biochemistry Laboratory and Agricultural Research Farm. Where these exist, they are yet to be equipped. These are capital intensive and it is only the government that can help actualize these visions.

#### **➤ Development of Libraries**

The Library is centre for learning and researches. No university can rise in knowledge above the standard of its library. The seating capacity of many private universities is small ranging from 38 to 150 (2004 COMPU report: P.25, 46). Some of the libraries have no adequate reading tables and chairs. Volumes of books and journals are inadequate. This is not surprising as it runs into millions to get these books imported. It will cost a fortune to get current law reports from abroad. Yet a single proprietor is expected to foot this. The Federal Government is the answer.

#### **➤ Increased Research Output**

Research findings of universities are what give them reputation and names but many private universities are yet to come up with policy on researches because of lack of funds. Public universities are given grants for researches and painful enough, some are not able to utilize this fund. Why not extend this fund to private universities so as to increase their research output?

#### **➤ Hiring of Adequate Number of Professors**

The private universities are finding it difficult to meet up with the NUC stipulation of staff ratio of 20:35:45. That is for every programme, there should be at least 20% professors, 35% Associate Professors and Senior lecturers while 45% is lecturer I and below. Most professors in the private universities are either on sabbatical or associateship and so cannot settle

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down to pursue rigorous researches. Private universities can stretch - hands abroad to higher professors if there is adequate fund. Expansions of physical facilities and especially the urge to move to permanent sites will not permit private proprietors to think of hiring faculty members from abroad or bring back Nigerian professors in diaspora.

### **Federal Government Partnership with Private Proprietors**

#### *1925 Educational memorandum*

In 1920, Phelps – Stockes Commission led by Thomas Jesse Jones was set up by the Colonial Government to study Education in West, South and Equatorial Africa and to investigate the educational needs of the people (Babs Fafunwa, 1975). The Commission gave its report in 1922 which led to the 1925 memorandum on Education in British Colonial territories which till today is the blue –print on how education should be organized in Nigeria. The No. 1 item of the memorandum quotes:

“While the government reserves right to direct educational policy and to supervise all educational institutions by inspections, voluntary efforts should be encouraged and advisory Boards of education should be established.” (Babs Fafunwa, 1975)

No.5 Item of the memorandum also states thus:

“Schools run by voluntary agencies with satisfactory standards should be given grants in aid.” (Babs Fafunwa, 1975).

The memorandum contains twelve items which are being executed in Nigerian Education Sector today except item 5. This paper is earnestly calling on the Federal Government to revisit this Educational Memorandum as no government sector operates successfully without a guide.

#### *Educational Tax Fund (ETF) for Private Universities*

The Education Tax Fund gets its fund from 2% tax from profit made by companies operating in the country. In 1992, during FGN – ASUU negotiations, it was conceived that ETF be targeted towards funding of universities in the nation. There was no clause that exempted private universities. Oh that the Federal Government could restructure the ETF to include the private universities since the students of these universities are citizens of Nigeria. Between 1999 and October 2007, ETF was said to have allocated ₦93.4 billion for its intervention programmes. Only ₦ 41.4 billion has so far been disbursed, leaving an outstanding balance of ₦ 51.9 billion. (Attahiru, 2010). It will be considered very appropriate and steps taken in

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good direction for the Federal Government to think funding of private universities by extending ETF to them.

#### ***Petroleum Technology Development Fund (PTDF)***

The Federal Government promulgated Act No 25 of 1973 establishing the Petroleum Technology Development Fund (PTDF) as a fund for the purpose of training and education of Nigerians in the oil and gas industry. Quoting the mandate of the PTDF:

“The fund shall be dedicated for the purpose of development, promotion and implementation of petroleum technology and manpower development through research and training of Nigerians as graduates, professional technicians and craftsmen in the relevant fields in the petroleum and solid mineral industry.” (PTDF – About Us.htm,2004).

Section 2 of the Act spelt out specifically the following purpose of the Fund:

- (a) To provide scholarships and bursaries, wholly or partially in the universities, colleges, institutions in Nigeria or abroad.
- (b) To maintain, supplement, or subsidies such training or education as mentioned above.
- (c) To make suitable endowments to faculties in Nigerian universities, colleges or institutions approved by the minister.
- (d) To make available suitable books and training equipment in the institutions aforesaid.

Since the promulgation of the Act, Nigerian Public Universities have consistently benefited from the Fund with exception of private universities. Since private universities are training Nigerians who the PTDF is meant for, it is an earnest prayer of this paper that the minister do according to section 2, C for Nigerian private universities. Let these Nigerian students no longer be denied of their privileges.

The 1925 education memorandum urged the Federal Government to assist voluntary agencies through grants – in aids. The ETF and PTDF made provision for every Nigerian citizen in the universities to be sponsored by the Federal Government. Is there any justifiable reason why Nigeria citizens in private universities should be denied? If it is not a crime to attend private universities which the Federal Government approved of, the government should heed the appeal of Mijinyawa (2010) that said the government should improve in the fundings of education while grants-in-Aid should extend to private schools as it was in the past.

#### **Suggested Sources of Fund Increase to Private Proprieties**

This paper did not in anyway suggest that the Federal Government alone take over the funding of private universities as with federal universities.



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Rather it is advocating for joint partnership with the private proprietors in the provision of education services to Nigerian students in the private schools. While the Federal Government gives substantial support, the private universities proprietors should increase their resource base through the following:

- (i) There should be active attempt of manufacturing of basic equipment, foods and goods to be used in the universities. The faculties of Agriculture, Science and Engineering should be forced into production and let there be direct link with local industries for promotion of the products. This will definitely influence the universities economy.
- (ii) Private universities must consciously develop a unit that will be aggressive and pro-active in the pursuit of both local and international sources of grant. Unfortunately, some private universities are yet to learn the act of writing award winning proposals for numerous proposals being offered.
- (iii) The roles of Alumni in development and growth of private universities cannot be underscored. If a university alumni body is set on a strong foundation, it could be instrumental in ensuring that the university meets its requirement.
- (iv) Parent – Teacher’s forum will be of great gain. Some private universities have developed this and they could provide hostels, laboratories and lecture theatres.
- (v) Private universities should engage in consultancy services for industries in their community. Certainly funds will be generated.
- (vi) The stock market will be revived and private universities should engage in endowment funds as interest generated will provide funds for continuous maintenance of infrastructure.

**RECOMMENDATIONS**

- Let the Federal Government comply to 1925 Education Memorandum by granting aids to voluntary agencies that are running schools and are doing well.
- Since Education Tax Fund is for all Nigerians, Nigerians in private universities should be included in the fund.
- Petroleum Technology Development Fund is for Nigerian graduates studying in Nigerian Universities and abroad. Let Nigerian graduates studying in Nigerian private universities benefit from the PETF.
- Private Proprietors of universities should diversify their resource base for sufficient funds following suggested sources.

## CONCLUSION

This paper contents that the funding of private universities should be a concern of the Federal Government just as she is concerned with Federal and State Universities. The private universities have come as answer to teaming population of candidates who passed JAMB but could not be accommodated by the existing public universities because of carrying capacity. The Federal Government welcomed these ventures and granted them license to operate. These private proprietors are not money makers but philanthropic who are out to compliment the effort of the Federal Government. Since from experience the Federal Government knows the capital cost of running a university, and since private universities are training Nigeria citizens, rethinking of funding of private universities by the Federal Government is the most appropriate step now towards achievement of the millennium Development Goal. ETF and PTDF should be extended to private universities so that school fees will be moderate and more Nigerians will be admitted into their most desired private universities.

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