

**EFFECTS OF RISING COSTS ON PROVISION OF QUALITY
SERVICES IN SECONDARY SCHOOLS: A CASE OF AINAMOI,
KERICHO COUNTY, KENYA**

BY

NGETICH KIPKORIR REUBEN

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DECLARATION

DECLARATION BY CANDIDATE

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Ngetich Kipkorir Reuben	_____	_____
EDU/PGES/1004/09	Signature	DATE

DECLARATION BY SUPERVISORS

This thesis has been submitted for examination with our approval as University Supervisors.

Dr. Godfrey Ngeno	_____	_____
Senior Lecturer		
Department of Educational Psychology	Signature	DATE
Moi University.		

Dr. Zacharia Kosgei	_____	_____
Senior Lecturer		
Department of Education	Signature	DATE
Management and Policy Studies		
Moi University.		

DEDICATION

This research is dedicated to my Late father Mr Philip Kipngetich Arap Sang, who since I was born, did not tire giving me encouragement to pursue my education to the highest level possible, to my lovely wife Rael C. Bor, my children Angela, Felix and Benedict. I wouldn't leave out my sister Evaline who has been a great inspiration and a true friend. I sincerely thank God for the good health, energy and peace of mind that has enabled me to carry out this research to its conclusion.

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LIST OF ABBREVIATIONS AND ACRONYMS

DANIDA	Danish International Development Authority
E.D.C	Education Development Centre
G.D.P	Gross Domestic Product
NACOSTI	National Council for Science, Technology and Innovation
SCDE	Sub-County Director of Education
USAID	US Agency for International Development

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ABSTRACT

The rising costs regarding education are mainly the reason behind the rising tuition and fees, in such cases budgeting becomes imperative to operations. The study sought to find out the effects of rising costs on provision of quality services in public secondary schools in Ainamoi Sub-county, Kericho County. The objectives of the study were: to assess the effects of nature of budgets used on provision of quality services, to evaluate the strategies used by secondary schools in provision of quality services, to assess the effects of rising costs on provision of quality services and to find out the challenges public secondary schools experience in provision of quality services in Ainamoi Sub-County, Kenya. The study was anchored in agency theory and system theory. The study used descriptive survey research design, allowing the researcher to describe the situation in secondary schools. The target population included the Members of Board of management, Principals, Bursar and heads of department from 27 public secondary schools. To achieve the sample size, the researcher conducted stratified sampling, narrowing down the study to 14 schools. Purposive sampling was used to pick a sample population of 98. Questionnaires and interview schedules were used to collect the data where both qualitative and quantitative data were collected. Quantitative data was analyzed using coefficient of determination and ANOVA and presented using tables, graphs and charts while qualitative data was analyzed thematically. The findings indicated that more schools use cash flow budgets, income generating activities are used to finance deficit and teachers are demotivated due to inadequate teaching and learning materials. The study sought to establish the regression model significance, ANOVA for Boards of management and heads of department posted significant-value of 0.000^b which was significant, hence, are significant in budgeting and provision of quality education. The Bursars' significance value of 0.706^b which is greater than 0.05 hence weren't significant. The study concluded that rising costs negatively affect the provision of quality services since it creates deficits as schools run short of essential supplies. The study recommended that income generating activities should be encouraged and government funding be reviewed yearly in line with economic prevails. The study also recommended that the site (school) based budgeting and cash flow budget be used in schools, budgetary controls be put in place, all stakeholders be involved in budgetary process and that the government to revise school fees on yearly basis based on the prevailing economic situations.

CHAPTER ONE

INTRODUCTION TO THE STUDY

1.0 Introduction

This chapter discusses the background of the study, statement of the problem, objectives of the study, research questions, and significance of the study, the scope and limitations of the study, assumptions of the study, theoretical framework, and operational definitions of terms.

1.1 Background to the Study

Since Kenya attained its independence, the provision of education has been at its centre stage of development (Mang'eng'e, 2018). Education since then was seen to play a critical role in socio-economic and political advancement. It's because of this that the government has kept on addressing challenges facing education sector through commissions, committees and task forces as provided in sessional paper No. 1 of 2005 (MOEST, 2005). The previous reports starting from the post-independence stipulated a proposal of an education system that encouraged national unity and create adequate human capital for general national development. At that time, the government was convinced that formal education system was a pre-requisite for higher and sustained economic growth. The Kenya government felt the pinch of solely supporting education and this led to a shift in the funding. The strategic plan of 2018-2022 of Ministry of education recommended an increase in sharing of cost between the government, parents and community towards provision of quality education (MOEST, 2018). The government funds tuition only while parents and other stakeholders have to provide for school infrastructural development, students'

welfare and salaries for some of the support staff. The government subsidizes education today in the form of free primary education (FPE) and free day secondary education (FDSE) because of its perceived returns.

According to Turrent & Oketch, (2009) the government subsidizes education because its social benefits exceed private benefits and brings about equity and equality of opportunities. Due to the benefits that accrues from education the government has always endeavored to make education affordable. According to UN News centre of 19th January 2010 it observed that education sector is facing threats from the global financial crisis that might be faced by millions of children from poor background especially in Sub-Saharan Africa countries (Gaad, 2010).

Bennel and Ntagaramba (2016) argue that when Principals effectively govern and allow participatory management to take course, teachers feel energized and motivated, and their sense of ownership and empowerment increases this has the dictates of the budget the school is managed against. Well implemented school plans can increase collegiality and give teachers the satisfaction to commit themselves to school improvement goals and not only them as budget affects up to the students therefore the quality of the education is not compromised. Highly motivated teachers are the key factors of a successful educational system (Seead & Rizwani, 2012). For an educational system to be deemed to provide quality education it depends on the precincts of how the resources are utilized as this affects the learning process, the running of the school and all these depends on external forces that's basically the market which has a spiraling effect as it keeps on soaring.

The various articles in the print media are a pointer to this. According to the East African Standard of 8th January 2020, the Education Cabinet Secretary, Prof. George Magoha insisted that Gazette notice number 1555 of March 11th 2015 that set a ceiling for fees charged in boarding secondary schools still stands, and therefore no school could raise fees illegally (LA, 2020). According to Njuguna (2010), despite the existence of fees guidelines from the Ministry of Education, affordable quality secondary education remains elusive 3 years since the introduction of subsidized learning by the government. According to the standard, of Friday 23rd April 2010, there are indications that some public, provincial schools do not charge what the government recommends but rather what their boards have discussed and endorsed (Maronga, Weda & Kengere, (2013). This indicates the rise in the actual cost of education over the years. However, while this is the case in some schools, most of the schools adhere to the fees guidelines and strive to provide quality education. The fact that such schools can run learning and teaching activities throughout the year implies that there must be ways and means of survival.

This unquenchable search for quality education has not however been exempted from the current economic crisis which makes the cost of goods and services to rise. Many African countries have been forced to cut down on public spending, especially on education where the government has come up with ways to have the fee guidelines put in place. These fundamental facts sharply constrain the options open to provision of quality education and have serious implications on education sector.

Kenya has not been exempted from the pressures facing the rest of Africa. Education in Kenya has been exerting a lot of pressure on the national budget due to its rapid growth. This rapid growth has however not been met by a proportionate increase in

resources available. The zeal that characterized many nations at independence to massively invest in education soon waned off due to high costs. The available resources from the government could not equitably be distributed to all sectors for maximum development. Many sectors, notably education had to seek involvement of other partners in meeting its financial requirements. In Kenya, there was an already felt need of discovering new or improving old ways of raising money and this has to be done carefully without compromising the quality of services.

There have been frantic efforts by the government to cut down on recurrent expenditure on formal education under the Ministry of Education to less than 30 percent (Republic of Kenya; 2015). The difference in terms of the ministry's monetary requirements is to be realized through cost-sharing and in the employment of more cost-effective measures in the use of educational resources. Under such a separation, it calls upon educational institutions, especially secondary schools to establish a means of broadening their resource base to avoid transferring the whole burden to parents, which scrutinizes the budgeting and the prudent use of resources in school's vis a vis the quality of services provided. One of the main challenges school face in budgeting with regards to the rising cost entails the use of available physical resources for maximum returns. Institutions of learning have a major part to play in generation of the extra funds needed for their smooth running. The possibility of raising further funds for education from parents is already diminishing rapidly with the government fee guideline which according to the ministry should be adhered to strictly (Osei, 2017). Therefore, this calls for prudent budgetary system in schools and more ways of education financing to maintain, let alone improve current education quality.

1.2 Statement of the Problem

A budget is a fundamental management tool for the smooth running of school programs. Its formulation involves the parents, teachers, BOMs and the Ministry of Education (MOE). The Ministry of Education through the County Director of Education and Boards of Management thus breathe life into the Budgets by approving them. A budget reflects a balance between income and expenditure of a School. However, the market forces of demand and supply, which Schools and the Government have no control over causes price fluctuations. In most cases prices do rise and destabilizes the practicability of the budgets. Provision of quality services in Secondary schools is dependent on the full implementation of the budgets; however, rising costs possess a great challenge to this. The School Boards of Management (BOM) and Principals who are the accounting officers are put at a fix as they have to ensure that quality services are offered in Schools. Based on this scenario this study focused on the effects of rising costs on provision of quality services in secondary schools in Ainamoi Sub-County, Kenya.

1.3 Purpose of the Study

The purpose of this study was to investigate the effects of rising costs on provision of quality services in secondary schools in Ainamoi Sub-County, Kenya.

1.4 Objectives of the Study

The study aimed at achieving the following objectives;

- i. To assess the effects of nature of budgets used on provision of quality services in secondary schools in Ainamoi Sub-County, Kenya.
- ii. To evaluate the strategies used by secondary schools in provision of quality services in Ainamoi Sub-County, Kenya.

- iii. To assess the effects of rising costs on provision of quality services in secondary schools in Ainamoi Sub-County, Kenya
- iv. To find out the challenges public secondary schools experience in provision of quality services in Ainamoi Sub-County, Kenya.

1.5 Main Research Questions

What budgeting strategy have secondary school managers adopted in order to provide quality education despite rising costs and limited funds?

1.5.1 Subsidiary Research Questions

- i. What are the effects of nature of budgets used in the provision of quality services in secondary schools in Ainamoi Sub-County, Kenya?
- ii. Which strategies used by secondary schools in provision of quality services in Ainamoi Sub-County, Kenya?
- iii. How are the effects of rising costs on provision of quality services in secondary schools in Ainamoi Sub-County, Kenya?
- iv. What challenges do public secondary schools experience in provision of services education in Ainamoi Sub-County, Kenya?

1.6 Justification of the Study

Effective management in any institution is a key factor of productivity. Management styles being employed by schools which include prudent budgeting determine the success or failure of a school. Today in Kenya, the government has introduced strict fees guidelines to all public secondary schools in total disregard to the ever-rising costs of goods and services in the market, and hence the overall rise in the cost of

education. Most schools including those found in the Ainamoi Sub-County are faced with the challenge of insufficient funds. The study has therefore shed light into the various ways or strategies that help schools to survive the rising costs of education and at the same time run planned programs.

The challenges of rising costs not only affect education in Ainamoi Sub-county but indeed the whole country. This study therefore was very timely and its' findings will go a long way in assisting secondary school administrators in the whole country to face the challenges of rising costs in education despite the little revenue they receive. By so doing the overall financial management will improve and this will impact positively on academic and non-academic performance to the satisfaction of all the stakeholders.

1.7 Significance of the Study

The researcher believes that the findings of the study will immensely benefit educational stakeholders, who are the Ministry of Education (MOE), Boards of Management (BOM), Principals, Heads of Departments (HODs) Bursars and Accounts clerks, Teachers, Parents and Students. The MOE will use the findings in formulating policies geared towards provision of quality Education in Kenya. The Boards of Management (BOM) will benefit in that alternative sources of revenue will be brought to light. The School administration and teachers will benefit in many ways; first the School programs can be implemented smoothly and timely, early syllabus coverage will be achieved and Students will be able to perform well in both academic and co-curriculum activities. The findings will also benefit the Bursars and Accounts clerks as the various vote heads are well funded and thus inter-account borrowing which normally raises audit queries is eliminated.

1.8 The Scope of the Study

The study was done in fourteen (14) selected public secondary schools within Ainamoi sub-county, in 2020. The Sub-county has a total of twenty-seven (27) fully registered public secondary schools. The research focused on the effects of rising costs on the provision of quality services.

1.9 Limitations of the Study

This study had the following limitations;

i. Instrumentation.

The use of questionnaires generates self- report data. The researcher could not test the veracity and truthfulness of the information collected. While the use of interviews suffered from the interviewer- interviewee influence.

ii. Design of the study.

This study adopted a cross sectional design. The limitations with the design is that it gives an instant picture of the situation as it were at that time. What happens later is therefore beyond this study.

1.10 Assumptions of the Study

In carrying out the study the researcher made the following assumptions.

i. All the respondents are well versed with financial management strategies of their schools.

ii. The costs of goods and services keep varying after budgeting.

1.11 Theoretical Framework

The study was based on two theories, that is, the agency theory and the systems Theory of Administration.

1.11.1 The Agency Theory

The Agency theory “explains how to best organize relationships in which one party determines the work, while the other party does the work” (Ross & Mitnick 2007). In spending plan a leeway connection exists where management purposefully use investment to make slack, while the other contended that administrators through expectation diminished leeway in their financial plans. The connection between budgetary interest and spending slack has been ambiguous in the writing of the executives bookkeeping. Budgetary leeway has been singled out as one of the essential unsolved issues in budgetary control (Cooper, Ezzamel & Qu, 2017). Budgetary slack is characterized as the contrast between the appropriated spending plan and genuine least expenses (Eom & Lee, 2014). In a slack budget, (Su & Ni, 2013) proposed that slack is the sum by which subordinates downplay their gainful capacity when choosing work gauges against which their presentation will be assessed. In these points of view, slack is the deliberate underestimation of incomes and gainful capacities as well as overestimation of expenses and assets in the spending plan and second, that slack is broken (Widanaputra & Mimba, 2014). Agency theory-based researchers have contended that interest simply gives the chance to subordinates to embed slack to their spending plan. Subsequently, the agency theory predicts positive cooperation slack connection. (De Faria, 2013) contended that people who take an interest feel to a lesser degree a need to join slack in their spending appraisals and in like manner will in general, propose increasingly troublesome errands. Administrative penchants to make slack might be improved or lessened by the manner by which budgetary frameworks are structured and actualized (Widanaputra & Mimba, 2014).

Stakeholders are those individuals and gatherings that effect, or can be influenced by, an association's choices, arrangements, and activities" (Santana, 2012). The prime value of the partner idea is that it calls attention to the significant social parts of associations, and its capacities as a helpful heuristic. The fundamental thought is that an association's prosperity relies upon how it can deal with its associations with key gatherings, for example, clients, workers, providers, networks, government officials, proprietors, and others, that can influence its capacity to arrive at its objectives. It turns into the administrator's activity "to keep the help of these gatherings, adjusting their inclinations, while making the association a spot where partner interests can be boosted after some time". (Strand & Freeman, 2015) consider the capacity to be shown when one section in a relationship can force its will on the other part. This could be through power (coercive force), material or money related assets (utilitarian influence), or representative assets (normative influence). Through force awkwardness, clashes, difficulties, and disarray, the impact on the systematized planning procedure could be considerable. In this scenario the government, parents, guardians and sponsors of secondary Schools act as the principal investors, while the Boards of Management act as the agents. However, the agency theory does not put into consideration the various sub systems within the school system whose influence determines the overall agency of the board of management. This discrepancy is clearly explained by the systems theory of administration.

1.11.2 The Systems Theory of Administration

This concept of systems theory suggests that the whole is greater than the sum of its parts (Simons, 2000). Rice, (2013) describes a system theory as a progression of interrelated and associated parts, with the end goal that the communication of any part (subsystem) influences the entire framework. Each part is firmly connected to

different parts of the association and no single part exists in the disengagement of others. The frameworks' hypothesis lays on the concept that in all frameworks from the Galaxy planetary framework, the general public, training framework, school and study halls have various parts performing various capacities, that each part associates and is related with different parts and with different frameworks (condition) around it.

Thus what influences one section, influences different parts in the framework and its conditions. Schools are basically frameworks by their own privilege since they comprised of a few sections serving various capacities, which are interrelated. From the point of the frameworks' view, the role of the board includes overseeing and tackling issues in each piece of the association with the understanding that activities taken in one piece of the association influences different parts of the association. For example, executing an answer for an issue in a school's educational plan, guidance and oversight capacity will probably influence different parts of the school, for example, staff assignments, physical offices, network connections and fund errands.

Cost of training is a consequence of a bunch of variables including the free secondary tuition just as the financial turn of events and typical cost for basic items. In secondary schools, the cost of instruction is dictated by foundation advancement, compensations for staff just as teaching/learning types of gear and assets. The frameworks' hypothesis is pertinent to the instructive organization in light of the fact that the instructive framework or even a solitary school unit or a youngster is a framework, and the idea of communication and association of parts with the others and with the more extensive framework is material. For example, educational programs, instruction and student work force: assignments of school organization,

pupil personal errands, staff faculty: Tasks of school organization, rising cost in education, school plans and physical facilities, undertakings of school organization and strategies on cost decrease by school organization. Provision of the above services in the right way is what constitute quality education, therefore, this study sought to find out the effects of rising costs on provision of quality services in secondary schools in Ainamoi Sub-County, Kenya.

1.12 Conceptual Framework

The effectiveness of secondary school budget in offering services of best quality due to rising costs is best understood by having an appropriate conceptual framework. Secondary school budget is effective when it involves the management and financial factors such as transparency and accountability, participatory management of funds, skills for financial plan, appropriate allocation of funds and the contributors of public secondary schools (central government, county government authorities, parents and community). Amid the rising costs, schools have developed policies that ensure that recourses perform tasks that are prioritized by the school communities through proper implementation of school projects and provision of quality services.

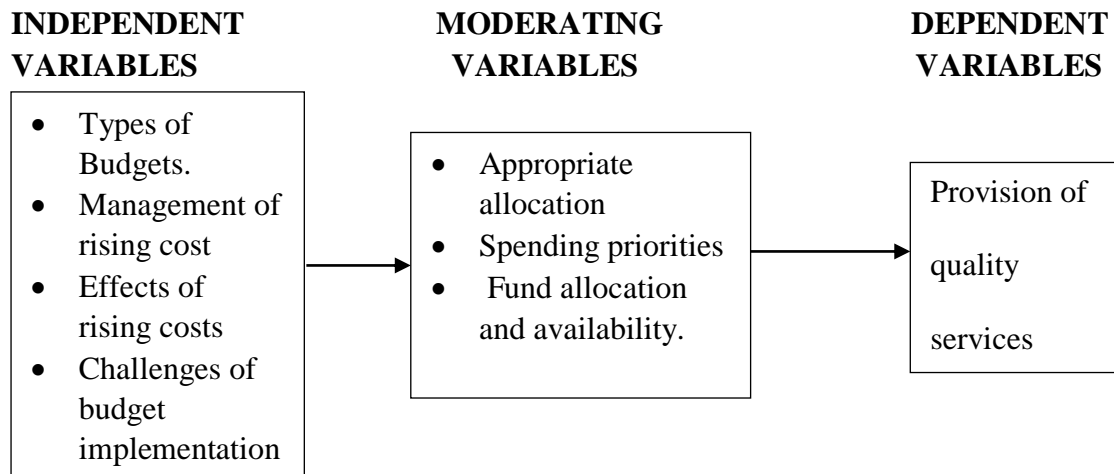


Figure 1.1 Conceptual Framework

The independent variables are types of budget made by schools, management of rising cost, effects of rising costs and challenges of budget implementation. All these affect provision of quality services. While the moderating variables include; Appropriate allocation, spending priorities and fund allocation and availability

1.13 Definition of Key Terms

Budgeting strategies- These are skills employed by school executives in budget planning and implementation of the same so as to achieve school goals.

Costs - Refers to expenses incurred in running a school, which includes all expenses in the teaching and learning process, co-curricular activities salaries and other purchases.

Espoused theories - These are what Principals ought to do in theory and not what they actually do.

Quality services: in the study is used to indicate the degree to which the services provided in school are geared towards the general development of the students.

Rising costs: Rising cost in the study is used to refer to persistent increases in school expenditures. These include staff personal emoluments, buying equipment and facilities, cost of goods, stationery among others.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviewed literature relevant to the study. It targeted studies that have been carried out by other scholars and mainly those highlighting financial management in schools which encompasses budgeting. Budgeting is simply an educational program expressed in financial terms. Special mention is made on budgeting approaches used by secondary school Principals to enable them achieve their objectives despite limited funds and rising costs. The source of literature used included textbooks, journals, theses, newspapers, periodicals and magazines.

The main areas reviewed here includes; budgeting, strategies used by secondary schools to survive rising costs, boosting of enrolment to maintain programs, effects of rising costs on quality of services, financing of education, sources of additional funds, income generating activities, financial management in schools, budgeting in secondary schools, challenges of budget implementation and empirical review.

2.1 Budgeting

According to Odundo and Oyier, (2018), a budget is an educational program which is expressed in financial terms. Budgets give an estimate of revenue and how it will be spent in order to achieve the educational objectives. Education budgeting acts as a “working tool” that gives important opportunity towards mission planning, operations improvement and achievement of various objectives pertaining quality education (Mascitti-Miller, 2012).

Budgets are normally made for the following purposes; to give estimates of receipts (income) and expenditure (costs). This should help in balancing the budget which prevents budgetary deficits, to account for funds spent to achieve educational objectives. It thus makes it possible to ascertain whether funds have been spent efficiently, to determine the quality and quantity of services, conferment of authority; a budget which has been approved by Boards of Management provide the school management with the authority to charge fees and other levies, and to spend the monies on the approved items and for prudent financial management.

Silva and Jayamaha (2012) explained that an effective budgetary control solves an organization's need to plan and consider how to confront future potential risks and opportunities by establishing an efficient system of control, a detector of variances between organizational objectives and performance. Budgets are considered to be the core element of an efficient control process and consequently vital part to the umbrella concept of an effective budgetary control. Budgets project future financial performance which enables evaluating the financial viability of a chosen strategy. In most organizations this process is formalized by preparing annual budgets and monitoring performance against budgets. Budgets are therefore merely a collection of plans and forecasts (Silva and Jayamaha, 2012).

According to Sharma (2012), budgets reflect the financial implication of business plans, identifying the amount, quantity and timing of resource needed. The establishment of short to medium-term objectives serves the purpose of providing estimates of future sales revenues and expenses, to provide short and long-term objectives for a coordinated management policy. Benchmarks for management and task controls are provided by comparing actual results with budgeted plans and to take

corrective actions if necessary (Sharma, 2012). Budgets can further influence the behaviour and decisions of employees by translating business objectives, and providing a benchmark against which to assess performance, such operational planning is considered as the backbone of management.

Budgets are an integral part of most organizations and serve a variety of management functions (Sponem & Lambert, 2016). According to Samuelsson et al. (2016), budgeting is a key policy instrument for public management and management of the firm; it is a familiar activity to many as it is practiced in our private lives as well as in businesses, government and voluntary groups. The use of budgets in government circle long preceded its application in enterprises or the business sector. A primary impediment in institution budgeting transformation efforts is the inability to document, optimize, and ultimately automate the entire budgeting process. Another challenge is demonstrating a reasonable connection between actions and outcomes. Effective budgeting process design takes into account not only the funding levels required to provide for key social programs, but the changes necessary under a variety of different revenue production scenarios. Bourmistrov and Kaarbøe (2013) found that unbundling the budget functions (planning, forecasting, control, and evaluation) allowed leaders to use new forecasting processes to establish stretch goals and improve strategic decision-making.

There are five types of budget plans however two are commonly used, these are, the traditional budget plan and the ideal budget plan. In traditional plans, income is identified as the first component in school budgeting, while an ideal budget plan identifies the educational programs as the first component, and then followed by expenditure and then income. The ideal plan was developed as a result of the

shortcomings of the traditional budget. In both cases there are always miscalculations. According to Odundo & Oyier, (2018) long range projections are subject to miscalculations because of lack of appropriate resources and the unforeseen changes in the future. One of these unforeseen changes is the rising costs of goods and services that cannot be adequately planned for since they aren't accurately predictable.

The other budget plans are;

Zero-based budgeting (ZBB)-This kind of budget assumes that in every year, the system of the school starts its operations with a "clean slate". In zero based budgeting the previous period's budget is not used as a template like in traditional budgets. The management must think and justify the expenditure planned for in the next period.

Program-planning-budgeting systems (PPBS) -It involves identification of programs, planning for them and finally allocating resources. It's rarely used in education because of its complexity and financial constraints.

Site based (school site) budgeting (SBB) – in this case, budgets are prepared by the end users. In this system of budgeting the Principal and their communities have as much say as possible on how money is spent. Unlike traditional budgeting, revenue allocation depends on the site plans.

2.2 Strategies Used by Secondary Schools to Survive Rising Costs.

Rising costs of goods and services is impacting negatively on school programs and thus there is need to find ways to mitigate its effects. According to the standard online of 1/2/2011, a survey on Education reveals that many schools, from national to Sub-counties, have devised strategies to survive rising costs. It has been established by Hess and Kelly (2007), that principals set fees in third term when schools prepare their budgets. They produce two sets of fees structures. A teacher interviewed said

that ‘the fees structure that is sent to the ministry has the recommended figure to gain approval’. They further observed that schools cannot survive on the fees set by the ministry, saying that the money is little and does not reflect the rising costs of living. In most of these cases, form one parents get the approved fee structure first, but are immediately called for a meeting in which they are given another fee structure having the extra charges. By so doing this schools are able to run their usual programs without any interruption. However, it is worth noting that not all schools have the courage to do this. The majority stick to the ministry guidelines.

Another way of beating rising costs in schools is through enhancing transparency and efficiency. Mutua (2014), in his research paper pointed out that schools should raise funds for various purposes by engaging in income generating activities that will help them get more learning resources for quality improvement, school projects and cushioning of school against sundry debtors (fees defaulters), and in so doing always ensure that there is transparency and accountability. Some schools cut on expenditure especially in co-curricular activities. For example, the length of school’s outings is drastically reduced to cut on costs while others cut down on purchases deemed luxurious. As pointed earlier, some of the schools use students to do some of the duties that could have been carried out by an employee. By so doing the number of non-teaching staff is reduced and thus subsequently reducing expenditure.

2.3 Boosting Enrollment so as to Maintain Programs.

Studies on the lowering of costs in the running of schools include that of Machaca (2018), found out that small schools incurred high costs of operation but as enrollment increased, costs decreased to an optimum point. The benefits of economies of scale are maximized with high enrolment to a certain level from which such benefits

declines. In Kenya the Ministry of education has put the minimum, most economical school to run to be a three streamed school. This is the size of school that has maximized on the economies of scale. Way back in the sixties and seventies several studies were carried out in Britain. Some of the recent studies include those of Cummings (2014), which focused on the priority of Japanese secondary schools, that is, the relationship between the amount produced and the work. Such studies discovered that productivity in Japan had declined to as high as 20% a year. The study recommended that better methods of analysis and evaluating expenditure in education with a view to lowering the unit costs be made to avoid waste of educational resources.

Zualkernan, (2012) argued that educational systems everywhere will find themselves increasingly squeezed between resource scarcity and rising unit costs and thus must pursue various courses of action to reduce their budgets, which includes the following; Introducing modern teaching media, utilizing facilities more fully, freeing teachers from clerical and housekeeping chores to spend more time actually teaching, giving both teachers and students better tools and materials to work with and enlarging small classes and educational institutions to more optimum size. It is worth noting that Zualkernan, (2012) recognized that there is need to boost on enrollment to reduce on unit cost. The only challenge however which is not clearly brought to light is the practicability of this approach in the different categories of schools, since there are schools with low enrollment and are fully equipped while others are still struggling with enrollment and at the same time putting up facilities.

Winograd and Hais (2010) in their paper titled raising the quality and lowering the cost of education points out that “urban school districts in USA are beginning to

abandon the strategy of incremental reforms and adopting a more radical and dramatic changes to address the concerns of rising costs of education by boosting on enrolment". While according to the world development report (2017); it points out that the next generation in High school face completion options in terms of going to school or work and being with the family. Credit constraints and the ever-rising cost in education impact negatively on enrollment. The study further explains that working can impair schooling and learning. The study discovered that enrollment in school and attainment of education will be reduced in 5 years if the children aged 8 to 13 years go to work while in school. However, according to Grant (2012), the high degree of specialization in schools has been attributed by the presence of economies of scale, especially in the case of technical and vocational education.

Thus, one of the ways of lowering the cost of education is through specialization, as it brings about economies of scale. Based on this, it means that if schools enroll students into particular subject or reduce the number of subjects offered especially those referred to as electives, the cost of education can be lowered. The government of Kenya has acknowledged that the cost of education has been generally high and has affected enrolment negatively. Based on the 2005 Sessional Paper number 1 (MOEST, 2005), there has been decline or a reduction in secondary school enrolments due to the following factors; high cost of secondary education compared to primary education and rise in poverty level where it has been estimated that 30 percent of drop-out rate happens due to poverty. Other factors include high cost of teaching and learning materials, uniforms, transport and development levies, extra tuition fees, poorly managed school environment, rise in repetition rate and HIV/AIDS pandemic effects. It is therefore true that rising costs impacts negatively on the quality of services.

It further recommends for the establishment of a minimum of three streams in each school. This recommendation is based on the advantages of economies of scale; however, the paper has failed to establish the optimum number of students needed in a school to maximize this. Even though there is clear need to boost on enrollment, the Sessional paper is silent on the strategies that Heads of institutions should use to achieve it. According to Porter (2011) there are no panaceas but that a number of potential cost savings resides in economies of scale and in the use of low-cost media.

Porter (2011) further argues that “we must link research on costs with research on effectiveness”. This suggests that as much as schools would like to cut on costs, caution must be taken not to compromise on quality. Budgeting and quality must therefore go hand in hand. The government of Kenya through the Ministry of Education had put forward an ambitious strategic plan for the period 2006 to 2011. In its strategic plan; the government of Kenya outlined strategies to enhance enrollment and quality in secondary school education. However additional investment in this sub-sector is needed to address the key challenges relating to the high cost of schooling, which accounts for 30% of those unable to access education at this level.

2.4 Effects of Rising Cost on Quality of Services in Secondary Schools

The cost of educating a child in a boarding secondary school is five times higher than that of a day school (Gichana, 2021). According to Manyara, (2021), to educate a student in a public secondary school, it costs approximately Kshs 70,000. School drop-out rate has been seen to be very high at secondary level as compared to primary level. The reasons for this are; at this level poverty cannot sustain the high cost of education, the environment of the school might be unfriendly to the student, social

and cultural factors and low anticipation of future benefits that will be accrued through education (Ngare & Ayodo, 2017).

In Sub-Saharan Africa, secondary education is severely constrained by the increased cost of education. Increased secondary participation with the current cost structures in Sub-Saharan Africa is severely constrained such that in low enrollment countries, allocation of finances is relatively low and sometimes it is 10% of the public expenditure. According to Rice (2013), in those countries where the average Gross Enrolment Rate at secondary is less than 15%, an increase in participation to about 60% will require more allocations of finance to secondary schools.

In Kenya, the public expenditure on lower secondary education (form one and two) is three times the expenditure made in primary level and about 6 times the expenditure on upper secondary level (form 3 and 4). The cost of education in technical and vocational training is several times greater than the cost of secondary education. The cost of education in secondary level in Sub-Saharan Africa is at least 30% to 60% of government's per capita. In these counties, the cost of secondary education is 10 times more than the cost of education in primary level (Areba, Ayodo & Chemwei, 2016). However, in South Asian countries, it is relatively lower due to the low teachers' salary.

Barasa, et.al (2017), carried out an investigation on consequences of management of finance in secondary schools in Kenya and they found out that the main challenges that are encountered in secondary schools are strikes due to poor quality food, inadequate learning facilities, increment in school fees and lack of adequate staffs for instance, teachers. This study was however silent on impact of rising cost on school administrative functions although rising cost triggers financial problems. Other

studies done relating to this area include those of Dean (2009) who undertook a study in United Kingdom to investigate problems faced by school management. His findings were that, the most predominant problems inherent in schools include- staff, administrative and discipline problems, financial problems, which come in from resource allocation and management. In essence, (Dean, 2009), underscored the importance of proper utilization of resources.

The cost of learning materials, books, uniforms and other expenses, in addition to opportunity costs, deter poor students from engaging in formal secondary education. This cost includes; personal books e.g. dictionaries, bible, atlas and hymn Book. Uniform fees, boarding fees, PA, medical and caution, Personal basics e.g. soap, pens, exercise books, uniforms and shoes (Bray, 2012). Inadequate number of secondary schools is a hindrance to hundred percent transitions. Those graduating from primary schools and who wish to join secondary Schools should be given equal opportunities to join schools of their choice. This however, is not the case because secondary schools in the country are relatively few-slightly over 4300 public and private secondary schools compared to over 18,000 primary schools (Dibski, 2003).

2.5 Financing of Education

A number of studies have attempted to highlight the issue of public financing of education in Kenya. Roser, (2016) made assertions on the growing expenditure on education by the Government. He made projections of the Ministry of education by the year 1969/1970 as Ksh 8.7 million to meet the annual recurrent expenditure. In 2005, Olembo et al (2005) studied the problems of financing education. In this study it was observed that overall recurrent expenditure of the Ministry of education was on the increase. Assie-Lumumba (2005) identifies five sources of financing education:

the state, local communities, families, businesses and external sources. In general, for children from rural communities to access education at lower costs, at lower costs, there is a propensity for the widest based commitment of rustic networks to the expenses of instruction to be arranged in the structure of speculation costs. The development of school structures is a critical region where network investment is generally noticeable and broad, either attributable to nearby activity or in line with focal specialists.

Nderitu & Ngunju, (2014), further examined financing of secondary education in Kenya. The study focused on funding the proportional expenditure of both the government and parents on items such as tuition fees, maintenance, school uniforms, and miscellaneous costs. From the period under the study it is clear that the absolute amounts as well as proportion of the budget have been increasing. Awuor (2015), says that financing of education in Kenya has continued to be challenging to the government, parents and the communities at large and this has led to identification of financing options that are sustainable. This is vital in that, it maximizes cost effectiveness in resource utilization. Awuor (2015) depicted in his study that expenditure on secondary education as a proportion of GDP and the total education budget was averaged 1.6% and 22% respectively. Public financing is predominantly recurrent, while non-recurrent are estimated at 6%. She further pointed out the need to build more quality day schools, utilize teachers efficiently and streamline procurements.

Education vouchers, on the other hand, are commonly used to target vulnerable groups in post-primary education. Vouchers take various forms, including student entitlement, mixture of grants and loans, and allocation of higher grant element than

loan. In summary, sustainable financing of secondary education requires both feasible policy reforms and sustainable financing options. Besides, the government must play its central role in policy direction and encourage strong partnerships among all stakeholders including communities, NGOs, private sector and external support, among others. Main financing policy reforms relate to improved primary and secondary school internal efficiencies, improved efficiency in use of resources, improved school management and decentralization of some management functions, commitment to improved access to basic education (primary and secondary education), quality improvement through curriculum reforms relevant to labour market and livelihoods and teacher professional development. However, identification of feasible and sustainable financing options varies from one country to another, depending on the level of development and existing financing system. Some of the financing options that may work for developing countries, Kenya included, are: reducing schooling costs, public (government and external) financing of physical infrastructure, introduction of targeted vouchers accessible by both private and public schools, household subsidies and provision of incentives.

2.6 Sources of Additional Funds

The Government of Kenya mainly funds recurrent expenditure so as to meet the allowances and salaries paid to teachers at the expense of expenditure meant for development which is essential in provision and improvement of physical and instructional facilities. Bursary scheme has been put in place by the Ministry of Education Science and Technology (MoEST) to cushion the poor against the adverse impact of cost sharing. According to Wambugu (2012), bursary schemes are meant to cushion the poor. However, the challenge is that the poor seem not to benefit. He further notes that limited funds and lack of sufficient awareness creation on the

existence and operations of Bursary schemes which leads to limited coverage, poor coordination, delays in disbursement of funds and lack of monitoring and evaluation by the MoEST have resulted in lack of accountability and transparency. He further observed that in most cases the less deserving students from able families are the ones who take high stake on the Bursary scheme thus benefiting over the students who come from the poor background. The high cost of education thus continues to send children from poor families out of school. This study however did not so much highlight how schools get the extra funds needed to bridge the deficit, notwithstanding bursary awards to students. One should note that bursary awards to students do not cushion the school against inflation as it helps them pay their normal fees only (Mualuko, & Lucy, 2013).

In addition to the above, there are so many Non-Governmental Organizations supporting education in Kenya. Some of which includes the following; Help Africa, Stephen Lewis Education Fund, Education for the poor, Live and learn in Kenya, Ambassador de France au Kenya, Education Development Centre (EDC), Danish International Development Agency (DANIDA), US Agency for International Development (USAID)-Kenya, Jomo Kenyatta Foundation and many others.

Weiner (2018) views private funding as a major source of financing education. It states that, besides a set of developing interest for advanced education, a few governments and establishments ought to present charges as a type of family units' commitments in meeting instructive costs. Options for financing education in other countries include grants, scholarship and bursaries. The Bursaries and scholarships are commonly used in secondary education. According to Getange, et.al (2014), private funding has it that institutions are supported with private segment through separation

learning, focused on vouchers available to private and state-funded schools; family unit finances the development of secondary schools in underserved zones.

Kogo (2012) studied the financing of secondary schools in Kenya and found out that the consumption for the organization of convenience and administrations on training was excessively high and ridiculous. He suggests that local government ought to help the schools during critical requirement for network and implementation of educational programs. The examination neglects to distinguish the way that instruction is a human right and it is the obligation of the legislature to guarantee that his/her residents gain admittance to fundamental training. The examination additionally neglects to propose methods of placing the current accounts into better use by the establishments. The investigation likewise neglects to express the unit cost of secondary education in Kenya.

A decrease in school expenses at the optional level would incredibly improve access to secondary schools especially in provincial zones and for offspring of the low-salary gathering. Given this foundation, it was critical to discover the financial knowledge estimates important to decrease operational expenses of secondary instruction. Aoki, Wakano & Lehmann (2012) observed that the government's objectives and policies during the plan period 1997 to 2001 were related to expanding enrolment and culmination rates, smoothing out financing of training and improving the importance of instruction inside the setting of industrialization. To do this the administration was to move more assets from present essential training, remove appropriations to boarding administration not legitimately identified with instruction, present a roof on government endowments per understudy and make government support be replacement-based and not school-based.

According to Korir (2019), the government operates a bursary scheme at the secondary level through the Ministry of Education, Science and Technology. This is inside the protection of the Social Dimensions of Development Program focusing on poor people and powerless gatherings. In any case, a few issues have developed that make this plan very insufficient and wasteful. Bursary reserves are insufficient for all qualified poor understudies. The national schools get 5% of the absolute bursary assets in any monetary year. Different schools get assets in relation to the school size, regarding understudy enrolment and without reference to boarding status and whether the school is for young men, young ladies, or mixed. Also, the designation per region has changed as per the monetary prosperity of the area. The areas situated in monetarily peripheral Arid and Semi-Arid Lands (ASAL locales) where most networks are poor and powerless have higher extents. The bursaries allocated to students from poor background has boosted enrollment in schools, and thus economies of scale, however one cannot claim that such funds are sufficient. Most schools have therefore gone out of their way to get extra funds even through fundraisings, income generating activities, such as farming and leasing out of their equipment and facilities.

Njihia (2011), in his study identified in detail how schools generate additional funds for the growing needs of their schools in Kenya. He argued that opportunities still exist to tap additional financial resources from the following; public sources, apart from central government, sources within the education system itself, private sources and sources abroad. However, the study failed to look at other strategies applied by secondary schools to get extra funds in Kenya. Nyamwega (2016), in a study of trends

in public financing of education in Kenya since independence found that there has been continued increase in financial allocation to secondary schools in Kenya, and that students were getting more facilities and increasingly better-quality education. This is a clear indication of the continued rise in the cost of education in Kenya. Both Nyamwega (2016) and Njihia (2011) failed to highlight the challenges of budgeting in the face of rising costs of goods and services and how secondary schools in Kenya can cope with the ever-rising costs of education without necessarily raising school fees. In short, the two failed to investigate on how schools can budget for the little resources more efficiently and effectively in the face of rising costs.

The Kenya Secondary School Heads Association (KESSHA) during their annual general meeting in Mombasa in 2016 resolved that the Kilemi Mwiria report on fees guidelines be reviewed to accommodate the current costs of inflation and economies of scales (Macharia, 2016). Way back in the year 2009, KESSHA had raised concerns on insufficient funds to run various activities in schools during an academic year, citing the high rate of inflation and the ever-rising costs of goods and services. Various coping strategies have been highlighted during such conferences and include the following; boarding schools to be made day, use of students to do work that would otherwise be done by casuals and thus saving on finance, proper maintenances of equipment and school facilities, transparency and accountability on the management of school finance and buying goods in bulk.

On his part Bray (2012) made suggestions on how schools can generate extra income, which can still be applied even today. These recommendations include the following; using local leaders like members of parliament to make personal donations and to sponsor school projects, parents and association funds, alumni associations, religious

organizations to make regular contributions for the school in churches mosques or temples, running profitable activities like poultry and dairy farming and running successful shops selling goods to the immediate community.

However, in all these, Bray (2012) cautions that “there is need for clear and comprehensive school accounts to prevent fraud, allow authorities to forecast future expenditure, record how much has been contributed, by whom and to continue attracting donations from those who require accountability and for them to finally obtain loans, if need be. The main purpose of the study was to find out if the above strategies have been used to get extra funds for schools and how such funds have helped in alleviating the problem of insufficient funds, while at the same time enabling schools to provide quality services.

The education sector in Kenya has been at the center of attention in the ongoing past particularly during the time of cost sharing which immediately preceded the FPE era. Consumers have been requesting for quality administration and anticipating great profits for their interests in training. Albeit different types of innovation might be utilized to improve the learning procedure, the immediate individual contact among instructors and understudies remain the best apparatus in the instructive procedure. In this way, educator request and flexibility is a focal worry of instructive organizers. Bururia (2010) found out that when secondary education is made free, transition from primary to secondary is enhanced and enrolment of students is increased. However, there is probability that training quality being offered will be undermined if every single other factor is not enough. Glassman & Sullivan (2008) reported that each secondary school has a PA, which monitors school performance, raises funds to supplement the school budget, and participates in decisions on the use of these funds.

An elected PA executive committee member is the liaison to the BOM. In practice however, the two bodies are in conflict. The school head is directly accountable to the Sub-County Director of Education (SCDE) and the BOM and reports to the PAs especially on the use of its resources. Lack of documentation limits the ability of PAs to monitor finances, to understand how money is spent, and to approach the education authorities.

According to the MOE report released in 2010 it notes that with introduction of FDSE in 2008, there was immense development of optional schools that required additional structures, equipment, supplies, and teachers (Kaguri, Ibuathu, & Kubaison, 2014). It implies likewise more assets should be assigned to those schools; however, there is deficiency of the same. The administration's endowment to just provide food for the educational cost isn't sufficient to fabricate school physical offices. In this way, there is a requirement for charging additional expenses for the development and advancement of these physical offices. The rising number of students in these schools is setting a substantial weight on the restricted school personnel. The limited school's facilities are poor and do not adequately meet the needs and standards by the MOE for students. There is additionally the issue of centralization of instructive offices and this can undoubtedly cause an issue of absence of privately delivered higher work-power.

The offices, particularly libraries, research facilities, furniture, and reading material in many organizations are lacking. As of now, the best portion of the training financial plan is met by the administration in all open optional schools. In these schools, the Principals is given the duty regarding the control and the execution of money related assets of the school and the person in question are responsible for the considerable number of consumptions.

2.7 Income Generating Activities in Supplementing School Budgets

Provision of fee guidelines is a formulation by the government of Kenya towards controlling the burden of financing education on the parents. Since the cost of education has been increasing year in year out, School Principals and Boards of Management have always been advised to formulate and implement appropriate strategies for their institutions such as income generating activities that which enable them to run their institutions smoothly in an efficient and effective manner. This is because the smooth running of schools is not possible with the little revenue from the government and parents.

According to a study by Omukoba, Simatwa and Ayodo (2011), activities that generate income in schools in Kenya are initiatives that are normally taken to be invaluable in supplementing funding of education at all levels starting from pre-primary to University level. Many schools have tried to operationalize these initiatives. Some of the schools hire out their facilities during school holidays and out of which they are able to make a lot of money. Schools that have sufficient land are advised to engage in agricultural activities such as piggery farming, poultry farming and crop farming. The income from these activities will assist the school management to handle certain activities, such as academic days, prize giving days, prayer days and parents' days. Income from these activities is also used to motivate teachers and learners. For example, in some schools, teachers are always taken on a tour whenever there is good performance in KCSE. It is important to note at this stage that the success of income generating activities in secondary schools depends on its status. Omukoba et al (2011) carried out their study in Eldoret municipality; it would therefore be interesting to find out whether their findings can be replicated in Ainamoi Sub-county since the two comes from different geographic regions.

2.8 Financial Management in Schools

Financial management entails acquiring resources, managing them and financing resources for institutions by means of money taking external prices in economic markets into consideration (De Hoop, 2010). Here schools are equated to firms in financial management, and budgeting is one of the management tools. Based on an article, *Management of Education in Kenya*, Wanderi, (2015), there has been failure in the Ministry of Education and therefore there is need to change the curriculum training for teachers with elementary knowledge on accounting, planning, management of finances and project management. It is very vital for parents, school managers, educationists and the government to make a review on the current system of institutional management in order to attract more professionals and allow full participation by all the education stakeholders during project management.

Management of resources is one of the key administrative functions that secondary school principals have to handle. The government of Kenya (2015) puts it clearly that various resources such as land, finances, time, facilities, teachers and equipment in schools should be properly managed and utilized in a cost-effective manner that will enhance efficient provision of quality education and create relevance in that sector (Okongo, Ngao, Rop, & Wesonga, 2015). This goes to the school Boards of Management and other school managers who are tasked to plan on the most effective ways that enhances utilization of schools' resources.

Espinosa (2017) perceives that proficient administration of money related assets is a significant assignment for head instructors. Without sufficient budgetary assets, establishments can't do their characterized undertakings adequately. Cash must be accessible to run the various divisions of the school. The accessible finances will be

utilized to buy the necessary instructing and learning mechanical assembly, for example, chalking, course readings, paying of the care staff and building and improvement of frameworks. Financial management in education is concerned with the cost of education, sources of income to meet the educational costs and the spending of the income in an objective manner in order to achieve the educational objectives (Miriti & Moses, 2014). However, educational administrators are being tested to legitimize their monetary demands as far as instructive projects as opposed to the expenses, if training needs to contend fairly for open assets (Miriti & Moses, 2014).

In the preparation of the budget, the Principal or Principal must seek the cooperation of the BOM, the parents, the teachers and other school employees. By enrolling the participation of these individuals, the Principal guarantees a thorough perspective on the financial plan and a sentiment of organization which adds to the genuinely necessary *esprit de corps* (Miriti & Moses, 2014). Since introduction of FDSE, government has been providing tuition fees for students while parents or guardians are still required to meet the costs of lunch, school uniforms, transport and infrastructural developments. However, this doesn't confine schools from participating in salary producing exercises to empower them in having advantageous wellsprings of pay essential for their day by day budgetary responsibilities. To encourage appropriate care, control and protection of the funds from different sources, it is a prerequisite for schools to keep up isolated ledgers for assets from various sources like pay producing exercises and contributor reserves. The money that is remitted by the MOE must have a separate bank account from those holding monies from other sources. Studies have found out that financial planning of FDSE funds is in a crisis; therefore, this study sought to justify such claims. Financial planning involves aspects of accounting which

includes the general procedure of distinguishing, estimating, recording, deciphering and conveying the aftereffects of monetary movement; following business salary and costs and utilizing these estimations to respond to explicit inquiries concerning the budgetary and expense status of the business which is essentially a framework that gives quantitative data about funds.

Oyier, et.al (2017) define planning as the formalization of what is planned to occur at some time later on; concerns activities taken preceding an occasion, normally defining objectives and destinations and afterward orchestrating assets to be given so as to accomplish an ideal result. Planning which is an announcement generally communicated in money related terms, of the ideal execution of an association (in this case a school) in the pursuit of its objectives over a specified period. A budget is an action plan for the immediate future, representing the operational and tactical end of the corporate planning chain. They further states that managers responsible for carrying out budgets should participate in their formulation, and should be flexible to be changed if conditions arise, and budgets should be seen as means to an end, and not an end in themselves.

Any available resource in a school, need to be utilized for the sake of bringing about efficiency and relevance in education. Management here is taken to be all inclusive, including Boards of Management, and school committees. However, one needs to realize that the chief executive of a school still plays the major role of managing the finance. Some of the findings on financial management are quite shocking and includes; poorly compiled or nonexistent budgets, lack of bank reconciliatory statements, questionable bank signatories to school accounts, lack of supportive documents and absence of relevant payment authority during cheque and cash

payments, questionable procurement procedures, books of accounts not maintained and school fees registers were non-existent and school fees could not be tracked.

Lack of prudent financial management counts to be among the factors that has led to rise in cost of education. It is very vital for school Principals to ensure that he/she has knowledge and basic understanding on frequent basic school accounting processes, budgeting processes and other control measures that ensure that no funds are lost or misappropriated. Mismanagement of school resources has quite often sparked off strikes in Kenya's secondary schools. In their study, Kaguri, et.al (2014) investigated the repercussions of financial mismanagement in secondary schools of Imenti North Sub-county, Kenya. Findings showed the following; women Principals were better financial managers, government-maintained schools were often mismanaged as compared to Harambee schools, professional qualification of Principals and experience were found to have no significant influence on financial management and big schools were more often mismanaged than small schools. Their findings showed that some management strategies have been adopted by Principals to enable them run school programs despite inadequate funds. This study will therefore focus on the management strategies employed by school Principals and their impact on the quality of services.

2.9 Challenges in Budget Implementation

School directors and Principals could have all around characterized considerations about what they need to achieve and when they need it achieved. The trouble could happen in the method of imparting their contemplations and plans to other people, to empower them accomplish wanted goals (Cohen, 2013). The University of Nairobi (UoN) was confronting a significant test portrayed by diminishing assets during a

time of developing understudy enrolments, without an ability to keep the two in balance. This situation was intensified by a decrease in exchequer arrival of assets in genuine terms, insufficient blessing assets, and constrained humanitarian, corporate commitment. In the event that unchecked, this pattern was probably going to unfavorably influence the nature of the learning condition and the capacity of the University to release its command and center capacities. Against this foundation, the UoN expected to mount effective, coordinated, and forceful procedures of use of accessible assets, with the end goal of growing levels and a decent variety of income sources. To accomplish this ideal position, UoN planned to set up various long-haul plans including a mix of activities plans planned for empowering the foundation to work inside the accessible assets and limit its budgetary shortfalls. The foundation required arranging and controlling its assets through a financial plan.

A financial plan is a fundamental instrument to each establishment activity to run successfully and offer quality help. The lack of a budgetary theory (Rubin (2019), the author set out a test for financial expert to determine the essential planning issue looked of managing constrained assets. The simplest basics of planning are reviewed and inadmissible condition is seen on what premise will it be chosen to assign X dollars to action A rather than action B. Essayists of planning say pretty much nothing or nothing regarding the simply financial parts of open consumption. The spending creators need more income to meet the solicitations of all spending organizations, and X must choose how scant assets will be assigned to elective employments. The author recommended that answers for this issue could be found through utilization of financial hypothesis. He suggested that arrangement could be found through an improved comprehension of the institutional courses of action, asset assignment

choices made, which would involve a cautious and extensive examination of spending process (Rubin, 2019).

By and by, accomplishing supported upgrades in operational effectiveness was probably going to be the hardest advance in transforming the spending procedure. The service of funds was seen as incapable to actualize sectorial reallocations except if it had the ability to evaluate the similar worth of projects. This would include an iterative procedure dependent on an evaluation of both allocations and operational productivity since it is inefficient to distribute assets to a high need movement on the off chance that they were not being used proficiently. This brought up an issue about both repetitive projects and open venture programs. Assessment of advantages could reflect negligible productivity and the way that unit costs will in general emerge as inclusion increments. Additionally, there was have to create strategies that would guarantee thorough and fitting task examination determination and structure.

Guaranteeing operational productivity in the arranging and spending framework necessitates that the correct motivating forces and institutional game plans are set up. The board must be given more prominent tact in running their tasks. It was significant that yields or execution targets were determined ahead of time for progressing programs so real accomplishments could be contrasted with focuses during usage. Distribution of yearly reports featuring all the accomplishments is one method of empowering more noteworthy straightforwardness and guaranteeing that administration is considered responsible.

The new way to deal with planning and spending changes accompanied new arrangements of rules and systems. In any case, with time the players ace the standard

of the game and figure out how to outmaneuver them. The administration would devise methods of dealing with their personal circumstance. Similarly, new frameworks could turn into a daily practice after some time and as the ability to uphold the standards melts away, they were probably going to be relinquished. The forward financial plan in Kenya is structured as a medium-term program audit however despite the fact that it covers three monetary years rather than one, it quickly deteriorated into a routine steady detail planning. To maintain a strategic distance from its result, care must be taken to guarantee that the watchmen of the framework stay in charge and can authorize adherence. It is hard for creating nations to produce precise gauges of asset accessibility. Economies with a shallow income base would depend on outer financing and would not have the option to react to unfriendly stuns, for example, a crumbling of the term of exchange. These could disturb the fulfillment of targets, diminish responsibility, and harm the validity of the spending procedure. Use necessities and deficit in income results or withdrawal of contributor backing could constrain even the most dedicated government either to renege on its promise to financial order or to curtail modified consumption extends thusly undermining both allocations and operational effectiveness. The absence of adaptability in reacting to these dangers could compel spending creators to fall back on the customary method of forcing no matter how you look at it cuts. The burden of spending cuts during execution and the proceeded with the activity of a money spending framework implies that asset assignment in external years would not accomplish characteristic spending roofs and would block huge numbers of the assumed advantages of the spending approach. Concern has been raised about confinement and shortcoming that has been connected to the conventional planning process was getting progressively broad, with

the essential dread being that it might impede and harm the foundation execution. The procedure is wasteful and incapable.

Spending plans arranged ahead of time are probably going to confront cost increment between the hour of readiness and when assets are spent or gotten. There is have to consider when the establishment is planning, what the expenses or worth would be the point at which the use is made or the salary got. The spending board of trustees should mull over the expansion in cost when designating assets to the client office. The test in spending execution lies with the organization shortcomings. The basic inquiry in actualizing the spending plan isn't on what should be done yet how to make a working situation that would support the change.

The achievement of the spending procedure relies upon presenting institutional courses of action that give remedial motivating forces and help with offsetting needs with moderateness. The spending usage has become a test to establishment due to shortcomings in the arranging and spending process. Helpless determining capacity has made the spending plans to be set up without steady and dependable conjectures of macroeconomics execution and examination of the suggestion for the financial plan. This implies the forward financial plan did not depend on precise and solid evaluation of the total asset encompass. The believability of the spending procedure has been a test since income gauges have reliably surpassed real assortments, requiring no matter how you look at it cuts in suitable evaluations.

2.10 Empirical Review

Maronga, et.al (2013) carried out a study on how secondary schools can initiate supplementary sources of funds. They attest that few schools experience the ill effects of deficiency of assets, which upset appropriate usage of instructive projects.

Numerous schools depended intensely on customary wellsprings of fund, which were likewise deficient. Most of the economic activities identified were agricultural, practiced on the land, disregarding other major assets like automobiles, buildings and fields. These can be used with great positive results to supplement the other sources of income. The study constrained itself to distinguishing monetary exercises that were existent in schools; without tending to the requirement for abusing the school resources.

Bray (2010), in his study on financing higher education: patterns, trends and options. He found out that the expense of learning materials, books, outfits and different costs, notwithstanding opportunity costs, reflect poor performance in formal secondary education in particular. In Bray's study the focus was the cost of education in general without factoring the rising cost which the current study has captured well and link it with quality.

Ayako & Katembu (2010), in their study, education and financing in Africa: the Kenyan case study, they enlisted alternative educational financing techniques as education demand, corporate social responsibility from the private sector players, income generating plans, the formation of educational trust reserves, tax relief for education and work-study programmes for students. Although some of these alternatives have far reaching effects, some of them offer superficial solutions. To implement an education tax for example, may be a great strain to the low-income earner who is currently over taxed, unless it is selectively done. Introducing work study program to secondary school level students may interfere with their learning. The study focused on the cost of education from the student perspective while the

current study looks into the rising cost with the management in play on the effects of rising cost.

Barasa (2006) carried out an investigation on consequences of financial mismanagement in secondary schools in Kenya. The issues experienced incorporate; strikes, poor food, absence of learning offices, school charges rise and lack support staff in schools. The study was however silent on impact of rising cost on school administrative functions although rising cost triggers financial problems. According to Odero, (2017), the rising cost of education influences the academic performance of the schools and thus schools should develop strategies to deal with the rising costs by finding ways of raising finances. Odero, (2017) points out that the escalating costs of education has adversely affected the coverage of the syllabus for majority of schools in Kenya. The current study follow suit to uncover more.

Dean (2009) undertook a study in United Kingdom to investigate problems faced by school management. His findings were that, the most overwhelming issues characteristic in schools incorporate staff, regulatory and discipline issues, financial related issues, which roll in from asset allotment and the executives. The study looked at the blanket issues affecting school management, the current study seeks to see how the management cope with rising cost without compromising the quality of services.

Kipkoech and Kyalo (2010) in a study of management challenges facing implementation of free primary education in Kenya established that although the Principal is the chief accounting officer in the school, they face a lot of difficulties in financial management despite their best efforts to be transparent and accountable on the use of school funds. This eventually affects availability of funds for co-curricular activities and provision of teaching materials. This poses a big challenge to provision

of quality education. The study shows a part of the management challenges while the current study seeks to see the whole management in a situation where we have the rising cost.

Obulemire (2006) conducted a survey of budgeting practices in secondary schools, a case of public Secondary schools in Nairobi. The study's aim was to look at benefits of budgeting by Public Secondary Schools Managers and to establish factors that secondary school consider when undertaking a budgetary process. The study established that most secondary schools don't have a key intend to control them towards accomplishment of both long-term and short-term objectives. The head of schools had received training in financial management on preparing budgets and the commonly prepared budget was income and expenditure budget with only a few schools preparing the cash budget and long-term assets acquisition budget, despite the fact that most of them had incurred expenditure on long term investments. He notes that, there is lack of a solid base to enforce budgetary approach. The research finding concluded that activity-based accounting was commonly used, but this could not be proved if it is actually done based by the Principal. In the same breath the current study sought to identify the kind of budgeting most schools used in Ainamoi.

In Gachithi (2010) study on the factors that influence budget implementation in public universities in Kenya, a case study of University of Nairobi. The study found out that, insufficient funds, institutional weakness, the method used to allocate budget was unsatisfactory and budget included unattainable targets. The study further found out that the institutions used the budget to serves the multiple roles of planning, controlling coordination and communication. The study established that participation in budget preparation is another important issue because it reflects degree of

consensus and ownership from the persons involved. The study further concludes that University of Nairobi faces various challenges in budget implementation. The major challenge is reduced revenue leading to shortage of available resource for its operation. This has led to institution to reduce the request made by user department which hindered effective budget implementation and the methods used to reduce the request from user department were unsatisfactory. The institution did not involve all the staff in budget preparation. It could be deduced that the budget does not involve the users who are involved with day to day operation of the budget and could have vital information which could lead to better decision if they were taken into account in budget preparation. The acknowledgement that budget have a role to play in the organization is an important factor that helps in budget implementation. This study look at the challenges affecting higher education in matters budgeting, the current study looks at secondary level and brings about cases of budgeting and the utilization of funds to curb the rising cost.

Chetambe (2013) in his study, effects of financial training on financial performance of schools in Kenya: a survey of administrators of secondary schools in Trans-Nzoia County. The study established that in service financial training had little impact on financial performance of public schools. Finance is the life blood of accomplishment of any association and schools either have no choice however to grasp vital budgetary administration. Information on finance related administration will empower partners in accomplishing adjusted spending plans in schools, achieving low charges adjusts, legitimate administration of school money, creditors and borrowers along these lines diminishing school overdue debts, having viable budgetary plans creating compelling pay producing exercises. This study looks into the financial training while the current

study investigated the dispensation of the trainings in managing the rising cost without a compromise on the quality of services.

Kaguri, et.al (2014) did a study on financial management challenges facing implementation of free day secondary education in Imenti North Sub-county, Kenya. The findings show that in financial planning; budgeting is frequently done in either a touch design or not done at all with insignificant contribution of training partners in the budgetary procedure, money related reports are inadequately arranged while Auditing is done in a self-assertive way. In this manner, for monetary administration to be effective, at that point arranging and controlling ought to be reliantly connected. They suggested that there is requirement for development of arrangement following of assets to guarantee appropriate, sufficient and responsible usage of assets planned for instruction in the right manner which can be done through external auditing or outsourcing of the services. This study gave a roadmap on the utilization of resources while the current study seeks to highlight the effect of an external force that is the rising cost on the quality of services.

Oyier, et.al (2017), in their study on science teachers and budget planning for instructional resources in secondary schools in Nairobi, Kenya. The study established that secondary schools have budgeting objectives that take science instructional assets in thought; science educators place their budgetary solicitation dependent on their plans of work to the planning panel and are available during prioritization on departmental rundown. It likewise settled that frameworks for anticipating incomes and uses are set up in optional schools to connect arrangement objective on science directions and assets and that distributions for instructional assets are determined in school financial plan in public secondary schools than their private partners. In

practice, the study recommended that science teachers need to be involved in budgetary decision making and measure be put in place to ensure this happen. This study focused on a department while the current study sought to look at management in totality with respect to rising cost on quality of services.

Kones (2012) Strategies adopted by secondary school Principal to address the rising cost of education: a case study of Kuresoi Sub-county, Nakuru County. The research established that the school's income was not enough compared to the expenditures of the schools. The researcher established that school used alternative ways of generating income and to generate alternative sources of financing for example the harambees for the school as possible strategies of dealing with the rising costs. The researcher identified that the variations in the school's budgets had effects on the level of the teaching and learning materials. The research also established that the school's budgets also affected the coverage of the syllabus in the schools and affected the academic performances of the schools.

In a study conducted by, Korir (2019), on the influence of austerity measures adopted by Principals on service delivery in public secondary schools in Nandi central Sub-County, Kenya. The findings showed that adoption of income generating activities on service delivery included application for annual CDF support/grants, installation of Posho mills, engaging in agricultural activities, starting up a bakery business should be adopted to supplement government funds and help cushion schools in rising cost. The study further established that prioritization of projects on service delivery was through utilization of available resources, initiating income generating activities and scaling down development projects. In conclusion income generating activities included installation of Posho mills and engaging in agricultural activities. The study

recommended that government should ensure that school fees for schools are not raised but instead encouraging schools to seek for alternative sources of financing such as farming. School Principals should develop procedures that require school members including teachers to participate in income generating activities. The study gave an analysis of what should happen in school, while the current study seeks to uncover the extent of the damage caused by rising cost on the quality of services.

2.11 Summary of Literature Review

From the reviewed literature, it was concluded that there are ways and means by which schools can effectively manage limited finances or bridge the gap caused by financial deficits. There are strategies that Principals can use to alleviate the deficiency arising from rise in the cost of goods and services given that for the last 3 years, prices of goods and services have been escalating every month, not to mention the most recent sudden increase in the prices of food commodities. Other studies have recommended specialization as a way of reducing costs. However, in the Kenyan system of 8-4-4, specialization is almost impossible. According to the government also the most economical school to run is a three streamed school. However, going by the population densities in different parts of the country, the rating of Schools by Parents and learners and the availability of essential infrastructure, achieving this is a very difficult if not an impossible task.

Since 1960, secondary schools in Kenya have been receiving funding from the government; however, no mention is made on budgeting strategies at school level that can enable schools to use the little funds despite the rising costs. Much research has been undertaken to see if better results could be obtained from the money spent or at least the same results produced at less cost. It has been found out that there are

strategies that the Principal have adopted on the verge of solving financial crisis. These strategies are, reduction of budgets and programs and increasing levies. Innovation amongst the Principal has been encouraged due to the scarcity of funds in schools. As much as these findings are useful, the study was too wide and thus failed to dig into all the details of management. Management entails planning, organizing, coordinating and commanding. This was not exhaustive in all aspects especially concerning sudden and frequent rising of goods and services. This research therefore will only deal with the impact of rising costs on budgeting and provision of quality services in secondary schools. Unlike other studies, this study will involve the entire management and not the Principals alone. Therefore, in the study, teachers, Accounts clerks, Bursars, Boards of Management and Principals were involved.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.0 Introduction

This chapter outlines the design and methodology that was used in this study. It describes the research design, the area of the study, the study population, the sample size and sampling techniques, research instruments, data analysis and presentation and finally ethical issues.

3.1 Research Design

This study adopted a descriptive survey design. According to Orodho, (2009), descriptive survey is the engagement of a sample population in a bid to get their views, beliefs, attitudes, opinion among other attributes that allow the person to pass information through interview and questionnaires. Descriptive survey research design permitted gathering of data which is, quantitative and qualitative, used for unearthing reasons for exact events or happenings. To recount the features of a larger population, descriptive survey research comes in handy. This helped the researcher to inquire numerous queries that gave substantial flexible analysis. According to Nyangia and Orodho, (2014), descriptive survey design involves description of attitudes, beliefs, opinions and other personal attributes done in research using a survey. The researcher used both questionnaires and interview schedules during data collection making the design very appropriate.

The descriptive nature of research design was used in order to collect information on whether there are impacts of rising costs on provision of quality services in public secondary schools in Ainamoi Sub-County. This design provides a quantitative and

numeric description of trends, attitudes and/or opinions of a population being studied by having a sample of that population. The researcher generalized and made claims about the general population from the sample population.

3.2 The Area of the Study

Ainamoi Sub-County comprises of 6 wards, namely Kipchebor, Kipchimchim, Kapsoit, Ainamoi, Kapkugerwet and Kapsaos wards. The neighboring sub counties are Belgut to the west, Nyando to the south west, Kipkelion west to the north and Kipkelion East to the east. The Sub-County has a total of twenty-seven (27) registered and fully operational public secondary schools of different categories. Residents of the Sub-county are mainly subsistence mixed farmers, mainly growing Tea, Maize, horticultural crops and at the same time keeping livestock.

3.3 Target Population

A population is defined as an entire group of individuals, events or objects having common observable characteristics. Basing on Mugenda and Mugenda (2006), target population is a population where by the researcher seeks to generalize the results from. In this case all public secondary schools in Kenya pass through the same scenario when it comes to revenue and market prices since the government gives fees guidelines applicable to all of them. Changes in the costs of goods and services tend to affect all of them in the same way. The target population of the study consisted of members of the executive board of management, Principals, Heads of departments and the Bursars/Accounts clerks. The total target population was 324.

Table 3.1 Target population

	Target population
Executive Boards of Management	135
Principals	27
Heads of departments	135
Bursar or Accounts clerk	27
Totals	324

Source: Research Data

3.4 Sample Size and Sampling Procedure

3.4.1 Sampling Procedure

According to Kothari (2003), sampling is a process that entails selection of a representative of a target population so that it produces a small section called miniature. Furthermore, it is defined as a selected small proportion of target population which will be used during the analysis. On the other hand, the sampling procedure is the techniques that are used to make a sample size. There are twenty-seven (27) registered public secondary schools in Ainamoi Sub-county. They comprise of seventeen (17) mixed day schools, three (3) mixed day and boarding, one (1) mixed boarding, three (3) boys boarding, and three (3) girls boarding.

The study harnessed stratified random sampling technique to put schools into various strata, that is; mixed day, mixed day and boarding, mixed boarding, pure boys boarding, and pure girls boarding secondary schools. It was used to identify the five categories (5) of schools. Based on Kombo and Tromp (2006), stratified random sampling entails division of population into homogenous sub-groups and taking simple sample in each group randomly. During sampling, selection is done in such a

way that all the sub groups are represented basing on their proportion in the population.

Table 3.2 Sampling procedure

Strata	Number	Sample	Sampling methods
Mix day schools	17	7	Simple random
Mix day and boarding	3	2	Simple random
Mix boarding	1	1	Simple random
Boys boarding	3	2	Simple random
Girls boarding	3	2	Simple random
Totals	27	14	

Source: Research Data

The total numbers of schools that were selected are fourteen (14), which is 51.85% of all the public secondary schools in the Sub-County. From the fourteen school selected for the purpose of this study, a further sample of the target population was arrived at. The study used purposive sampling, that is, from every school, the Principal, the account clerk/Bursar, two (2) heads of department, that is teacher in charge of boarding and head of games department and 3 member of the executive board of management who are signatories to the school accounts were sampled. Mugenda & Mugenda (1999) defines purposive sampling technique as a sampling technique that gives room for a researcher to make use of a target population that exhibits the information basing on the objectives of the research. This sample was appropriate since they are the ones who participate either in the making, approval and/or the implementation of School budgets and therefore conversant with the challenges that go with it, hence they have the information sought by this study.

3.4.2 Sample Size

The size of the population the sample seeks to represent, the number of variables in the data collection instrument, requirement for statistical analysis and the extent of confidence required from the results influence the sample size (Whitley & Ball, 2002). According to Morse (2000), a minimum sample size for statistical inferential statistics is 30. This study therefore took samples of the following in each from the fourteen (14) school sampled: 3 members of the board, two heads of departments (i.e. boarding and games master), the Bursar or an Accounts clerk and the principal. The total numbers of the respondents were eighty-four (98). The fourteen principals were subjected to an interview schedules.

Table 3.3 Sample Size

	Target Population	Sample Size
Executive Boards of Management	135	42
Heads of departments	135	28
Bursar or an Accounts clerk	27	14
Principals	27	14
Totals	324	98

Source: Research Data

3.5 Research Instruments

Research instruments are tools used to gather the necessary information for a study. The most commonly used research instruments include; questionnaires, interview schedules, observational forms and standardized tests. In this study, the researcher used questionnaires and interview schedules to collect data.

3.5.1 Questionnaires

A questionnaire constitutes important data collection instruments that were used in this study. Three types of questionnaires were produced for the respondents. These are Board members' questionnaire, Heads of department's questionnaire and Bursars/Accounts clerk questionnaire. The questionnaires had both open-ended questions and closed (structured) questions which were to investigate specific areas that relates to budgeting and provision of quality services in secondary schools in Ainamoi Sub-county. The questions covered areas touching on types of budgets, ways of overcoming rising costs, strategies of maintaining planned programs, fees collection strategies and means of raising extra funds to meet shortfalls. The questionnaires were given to the respondents on a day of appointment and picked up by the researcher on the agreed date. Monitoring was done by the researcher through phone call since he requested the respondents their mobile numbers thus avoiding time wastage which could be incurred during data collection. Before going to collect the filled questionnaires, the researcher made calls to the respondents first to enquire if they have filled as required. The researcher collected information on effects of rising costs on provision of quality services in public secondary schools in Ainamoi Sub-County from the H.O. D's.

3.5.2 Interview

Face to face interviews were conducted with the Principals of the selected schools. These interviews were used to dig further into the effect of rising costs on budgeting and provision of quality services in secondary schools. The researcher was able to seek for clarification especially in areas which were not clear. It was also used to find out some of the negative effects of rising costs on the quality of services. To make

sure that there is uniformity, the researcher used standardized interview schedule (guide) which comprise of open-ended questions.

3.6 Pilot Study

Pilot study was carried out in the Ainamoi sub-county using 3 schools that were not included in the actual study. This assisted in the evaluation, amendment and modifications that were deemed necessary in the instruments used in this study. These changes were effected accordingly. During piloting the questionnaires were administered twice within an interval of two weeks in the same setting of the study. A reliability coefficient was calculated using Karl Pearson's product moment coefficient of correlation which was 0.5, therefore, the questionnaire was deemed reliable. According to Nimon, et.al, (2008) a positive correlation (r) of 0.5 and above is a strong one and the instrument is deemed to be reliable.

3.7 Instrument Validity and Reliability

3.7.1 Instrument Validity

Validity is the degree to which results obtained from the analysis of data actually represent the phenomenon under study (Mugenda & Mugenda, 2003). Content validity of the research instruments was established in order to make sure that they reflect the content of the concepts (rising costs and quality education) in question.

The study's instruments were checked on content and construct validities as a measure to determine whether data obtained from the instruments correctly and accurately represents what they purport (Faux, 2010). The researcher corrected the instruments and compared them with the set objectives. He ensured that they contain all the information that answer the set of questions and address the objectives. Experts

from the Department of Education Management and Policy studies and supervisors were consulted to scrutinize the relevance of the questionnaire items against the set of objectives of the study. The instruments were then taken for piloting on a population that is similar to the target population. This aided the data obtained as it was a representative of the phenomenon under study.

3.7.2 Instrument Reliability

Basing on Kothari (2003), reliability is defined as a measure of extent to which research instrument yields results with high degree of consistency after repeated trials. Reliability of collected data was ensured by the researcher by ensuring that questionnaires were tested and retested by having it subjected to the same group of respondents in an interval of two weeks under same conditions. They were reviewed and analyzed so that the contents of the questionnaires and interviews schedules were suitable for the purpose for which they were set. A revision to the instruments was done to reflect their suggestions.

The instruments were also pilot tested using a different accidental sample that was similar in qualifications to the sample to be used in the study. To ensure that this was achieved, the instruments were first piloted in three Schools within Ainamoi Sub-county which is within the study area. The items were revised and pre tested until the participants in the pre-test sample understood them accurately. The questionnaires were administered twice within an interval of two weeks in the same setting of the study. A reliability coefficient was calculated using Karl Pearson's product moment coefficient of correlation which was computed at ± 0.5 , therefore the questionnaire was deemed reliable. According to Nimon, et.al (2008) a positive correlation (r) of 0.5 and above is a strong one and the instrument is deemed to be reliable.

3.8 Data Collection Procedures

The researcher sought permission from the National Council for Science, Technology and Innovation (NACOSTI) to carry out research. The permit obtained from NACOSTI was used to get permission from the Deputy County Commissioner (D.C.C.), Sub-county Director of Education (SCDE) and the school Principals to access and interact with the respondents. The prior visits were made by the researcher on the motive of making appointments with the respondents through the school administration. The Research instruments: questionnaire and interview schedules were administered to the subjects thereafter by the researcher. The researcher administered the questionnaires through drop and pick method.

3.9 Scoring of the Instrument

The five-point Likert scale was used to score the items in the questionnaire whereby they were made basing on the favourableness or unfavourableness of the response. The Likert scale depicts positivity scores from 5,4,3,2 and 1 where they represent strongly agree, agree, undecided, disagree and strongly disagree respectively.

3.10 Data Analysis

Quantitative and qualitative data analysis techniques were utilized due to the instruments used in data evaluation and therefore the data that was collected was analyzed using coefficient of determination and ANOVA. Thematic analysis was used to analyze qualitative data from the questionnaires and interview schedules and categorized in terms of similarities and differences. The data was presented in form of graphs, tables and charts.

Table 3.4 Data Analysis

Objective	Independent Variable	Dependent Variable	Analytical Tool
To assess the effects of nature of budgets used on provision of quality services	Types of Budgets.	Provision of quality services	<ul style="list-style-type: none"> • Anova • Frequency tables • Coefficient of determination
To evaluate the strategies used by secondary schools in provision of quality services	Strategies to curb rising costs	Provision of quality services	<ul style="list-style-type: none"> • Anova • Frequency tables • Coefficient of determination
To assess the effects of rising costs on provision of quality services	Effects of rising costs on quality of services	Provision of quality services	<ul style="list-style-type: none"> • Anova • Frequency tables • Coefficient of determination
To find out the challenges public secondary schools experience in provision of quality services	Challenges experienced by public secondary schools in budget planning and management	Provision of quality services	<ul style="list-style-type: none"> • Anova • Frequency tables • Coefficient of determination

Source: Research Data

The researcher ensured that information from respondents were accorded the confidentiality it deserved, since it touches on sensitive matters of finance. The researcher managed this by informing the respondents about the purpose of the study and sought their consents to participate in the study. The names of the respondents and the schools visited were not written in the questionnaires to maintain confidentiality of the information provided by the respondents. Participants from all research were obtained using informed consent (Appendix I) and they were expected to be in a position to provide the same. The respondents had a choice to either participate in the study or refuse to participate and their privacy, dignity and interests

were highly respected and protected by the researcher. After data collection, the researcher appreciated the respondents by giving the appropriate credit.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS OF THE FINDINGS

4.1 Introduction

This study aimed at investigating the effects of rising costs on provision of quality services in public secondary schools in Ainamoi Sub-county. The data collected from the field was analyzed and presented in this chapter. This chapter contains the data analyzed in line with the objectives of the study. This chapter is divided into four sections namely: introduction, Demographic characteristics of the respondents (which contains a brief description of the targeted population), effects of rising costs on provision of quality services in secondary schools, strategies used to counter effects of rising costs, strategies used to maintain planned programs, strategies for maximizing on fees collection, income generating activities and the conclusion.

4.2 Response Rate

This section presents a general overview of how the response rate was during the data collection process. During the data collection process, 84 questionnaires were distributed by the researcher to the respondents. This saw the seventy (60) respondents returned the questionnaires. The respondents included the 30 members of the board, 20 heads of department and 10 Bursars/Accounts clerk. 10 interviews were conducted from the principals. This made a total number of 70 respondents contacted for questionnaires and interview. The distribution of the response rate is as summarized by table 4.1

Table 4.1 Response Rate

	Distributed questionnaire	Returned questionnaire	Distribution Gender		per
			Male	Female	
Boards of Management	42	30	27	3	
Heads of Department	28	20	10	10	
Bursars/Accountants	14	10	5	5	
Total	84	60	42	18	
Percentage response rate	100%	71.42%	70%	30%	

Source: Research Data

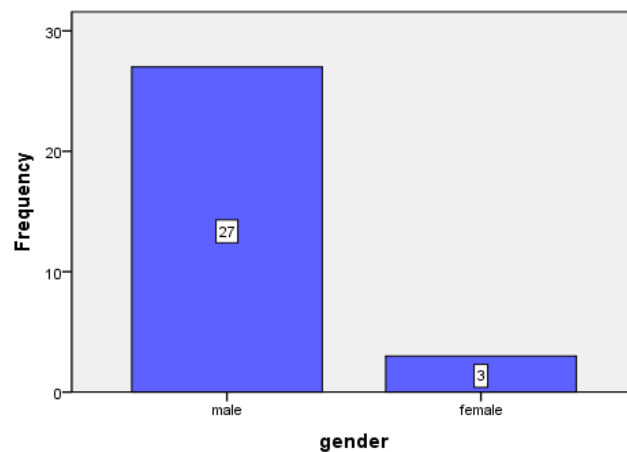
Table 4.1 indicates that 60 (71.42%) of the sample size participated in the study. For the case of principals, 10 (71.42%) of them were interviewed. Mugenda and Mugenda (2003) contend that a response rate of 50% is adequate for analysis and reporting with a response rate of 70% and above being excellent. Therefore, this response rate is excellent for analysis and discussion.

4.3 Demographic Characteristics of the Respondents

4.3.1 Gender of the Respondents

The research established the gender of the respondents and presented the information in figures 4.1, 4.2 and 4.3

Boards of Management'' gender

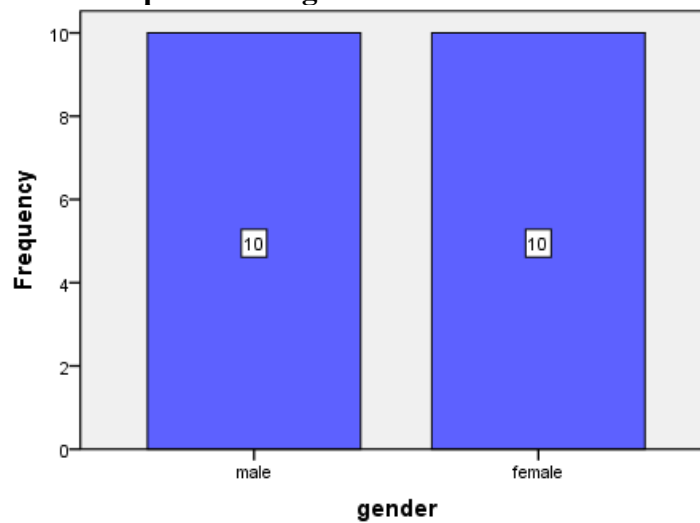


Source: Research Data

Figure 4.1 Gender of Boards of Management

Figure 4.1 indicates that 27 (90%) BOM respondents who participated in the study were male while 3 (10%) were female

Head of Departments' gender

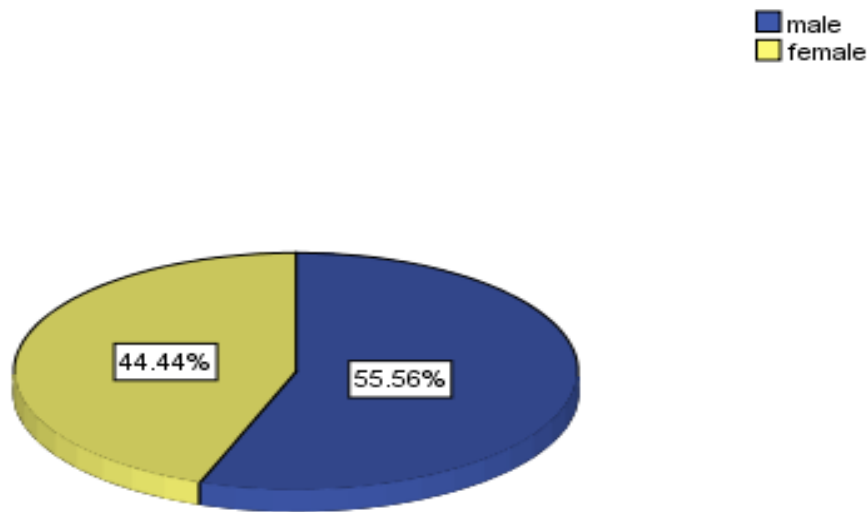


Source: Research Data

Figure 4.2 Gender of HOD respondents

Figure 4.2 indicates that's 10 (50%) Heads of Department who participated in the study were male and the rest 10 (50%) were female.

Bursars/Accounts clerks' gender



Source: Research Data

Figure 4.3 Gender of Bursars

Figure 4.3 indicates that 5(55.56%) of Bursars who participated in the study were male while 4 (44.44%) were female.

The study revealed that out of the 59 respondents, 42 were male while the remaining 17 were female respondents, an indication that, there was gender imbalance among the teaching and administration personnel of education in the study area. Although there were variations in gender, it was not so significant enough to stop the researcher from conducting a study.

4.3.2 Age of Respondents

The study findings on the range of ages of the respondents is given in Table 4.2

Table 4.2 Age of Boards of Management

	Frequency	Percent
Valid		
31-40 years	19	63.3
40 years and above	11	36.7
Total	30	100.0

Source: Research Data

Table 4.2 indicates that majority of 19(63.3%) Boards of Management were aged between 31-40 years while 11(36.7%) aged 40 years and above.

Age of Heads of Departments

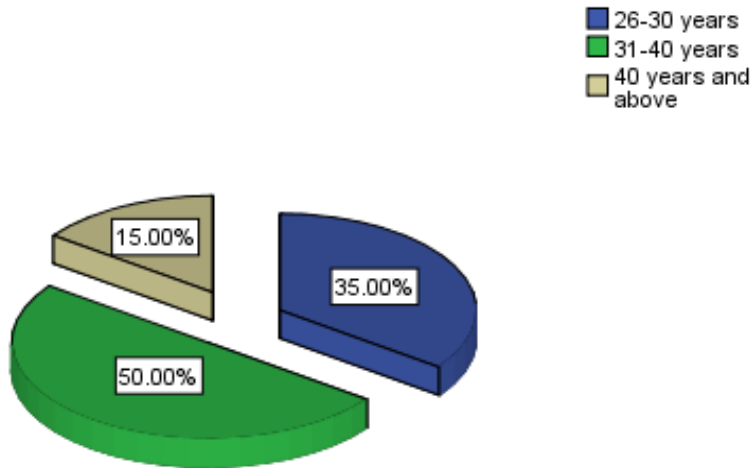


Figure 4.4 HODS' Age

Source: Research Data

Figure 4.4 indicates that 35% of Bursars aged 26-30 years, majority of 50% aged 31-40 years while 15% aged 40 years and above.

Age of Bursars/Accounts clerks

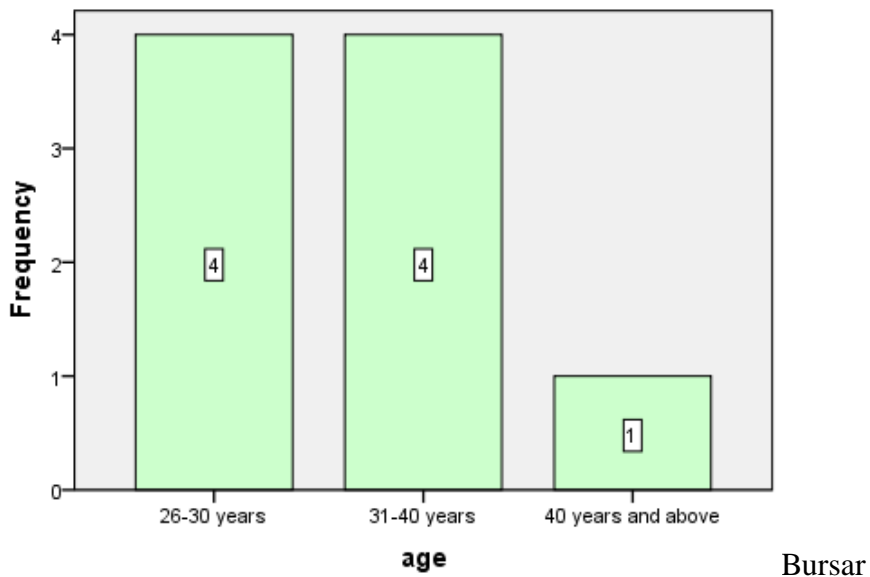


Figure 4.5 Bursars/Accounts clerks' Age

Source: Research Data

Figure 4.5 indicates that 4(44.44%) Bursars/Accounts clerks that participated in the study were aged 26-30 years, 4(44.44%) aged 31-40 years while 1(11.11%) aged 40 years and above.

Information about the age of the respondents was purposed to reveal the level of maturity and experience in the accounts management of the schools. From the above data it was clear that in the 21-25 years' age brackets that did not have respondents as it consists of people who have just completed their education and were not yet employed in any Secondary school.

4.3.3 Level of Education

The respondents were also asked to give their level of education and the results are indicated in table 4.3;

Table 4.3 Level of Education for Boards of Management

Level of Education	Frequency	Percent (%)
Diploma	8	26.7
Post graduate diploma	8	26.7
Degree	11	36.7
Master's degree	3	10.0
Total	30	100.0

Source: Research Data

Table 4.3 indicates that 8(26.7%) of the BOM who participated in the study had diploma as their level of education, 8(26.7%) had Post graduate diploma, majority of 11(36.7%) had Degree as their level of education while 3(10%) of the BOM respondents had master's degree as their level of education. This shows that majority

of the BOM respondents had their level of education being degree. Majority of BOM are competent enough to participate in their managerial roles.

Level of education for Heads of Departments

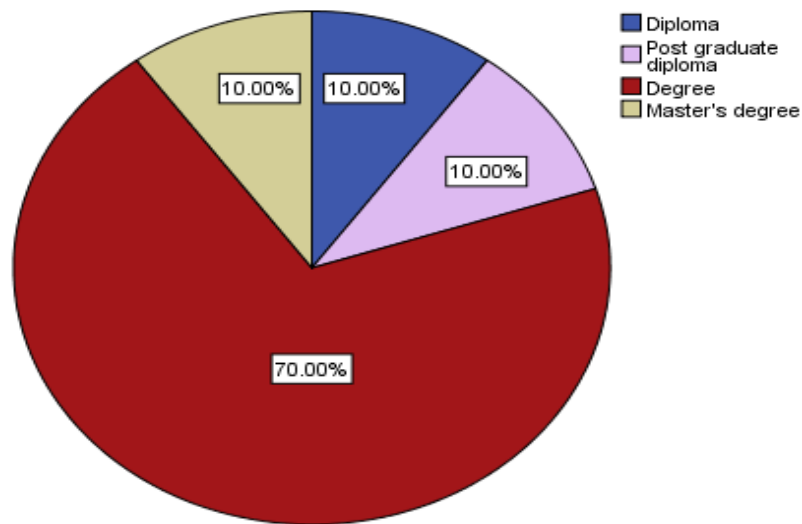


Figure 4.6 HODs' Level of Education

Source: Research Data

Figure 4.6 indicates that 10% HOD respondents had diploma as their level of education, 10% had post graduate diploma as their level of education, and majority of 70% respondents had degree as their level of education while 10% had master's degree as their level of education.

Level of Education for Bursars/Accounts clerk

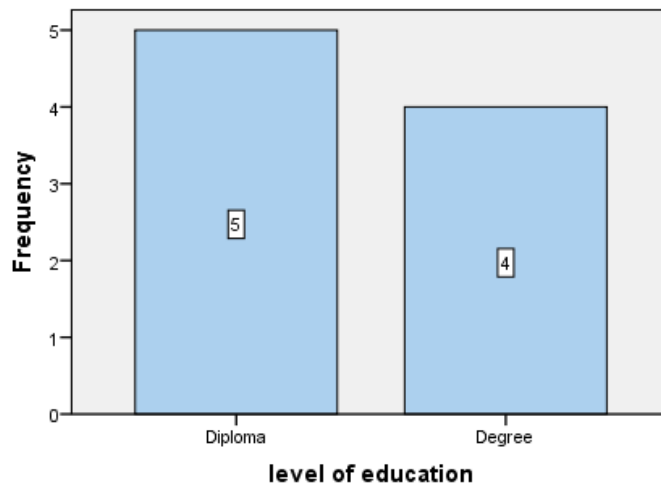


Figure 4.7 Bursars' Level of Education

Source: Research Data

Figure 4.5 shows that majority (5) of Bursars/Accounts clerks who participated in the study had diploma as their highest level of education while 4 of them had degree. None of the Bursars/Accounts clerks had master's degree nor a post graduate diploma.

The findings demonstrate that there is growing competitiveness in every sector and, hence, the levels of performance output in terms of management. Information of the level of education gives the level of competence of the respondents to comment on the study problem. This information is important since experience directly relates to the competence and the understanding of educational policies.

4.3.4 Working Experience

The study further sought to establish the working experience of the respondents and the findings are shown in table 4.4;

Table 4.4 Board of Managements' Experience

		Frequency	Percent
Valid	Less than a year	4	13.3
	Between 1 and 3 years	6	20.0
	Between 4 and 6 years	12	40.0
	Between 7 and 9 years	8	26.7
	Total	30	100.0

Source: Research Data

Table 4.4 shows that 4(13.3%) BOM respondents had been BOM members for less than a year, 6(20%) had been members for 1-3 years, majority of 12(40%) had been members for a period of 4-6 years while 8(26.7%) respondents had been members for 7-9 years.

Table 4.5 Heads of Departments' Experience

		Frequency	Percent
Valid	Less than a year	2	10.0
	Between 1 and 3 years	6	30.0
	Between 4 and 6 years	5	25.0
	Between 7 and 9 years	3	15.0
	Over 10 years	4	20.0
	Total	20	100.0

Source: Research Data

Table 4.5 shows that 2(10%) HOD respondents had been working for less than a year, majority of 6(30%) respondents had been working for 1-3 years, 5(25%) had been working for a period of 4-6 years while 3(15%) respondents had experience of 7-9 years.

Table 4.6 Bursar/Accounts Clerks' Experience

		Frequency	Percent
Valid	Between 1 and 3 years	2	22.2
	Between 4 and 6 years	3	33.3
	Between 7 and 9 years	1	11.1
	Over 10 years	3	33.3
	Total	9	100.0

Source: Research Data

Results of table 4.6 reveals that 2(22.2%) Bursars who participated in the study had been working for a period of 1-3 years, 3(33.3%) for 4-6 years, 1(11.1%) had been working for 7-9 years while 3 (33.3%) respondents had been working for over 10 years as Bursars. The findings suggest that the respondents had enough experience to respond to the questionnaires appropriately.

4.4 Nature of Budgets Used by Secondary School Management

The first objective sought to establish the effects of nature of budgets used on provision of quality services in secondary schools in management of funds. To achieve this objective, the respondents were required to give their ratings on the indicators given. It was important to understand the nature of budgets adopted by schools and why they prefer the type of budget they use, since the government has a predetermined budget that the schools ought to use. The principals who are the secretaries to the Boards of Management were asked to clarify on the nature of budget they use in their schools. The findings are indicated in table 4.7 and 4.8.

Table 4.7 Heads of Department View on the Nature of Budgets

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Cash flow	-	2(10%)	4(20%)	14(70%)	-
Program-planning budgeting systems	-	6(30%)	11(55%)	3(15%)	-
School (site) based budgeting	-	2(10%)	3(15%)	15(75%)	-
Zero based budgets (ZBB)	-	12(60%)	5(25%)	3(15%)	-

Source: Research Data

From the findings of table 4.7, it was noted that 2 (10%) heads of department disagreed with the fact that schools prefer cash flows, 4(20%) heads of department were undecided while majority of 14 (70%) heads of department agreed. This may be

because their source of finances is fixed and so preparing budgets for the entire year may be cheaper and hence encourage a discipline execution. Kairuki (2010) asserted that cash flow budget helps the business determine when income will be sufficient to cover expenses and when the company will need to seek external financing.

Asked whether schools prefer program-planning budgeting systems, 6 (30%) respondent disagreed, 11 (55%) respondents were neutral and 3 (15%) respondents agreed. This shows that majority of the schools do not prefer program-based budget system since majority of the respondents disagreed compared to those who agreed.

Concerning whether schools prefer site-based budgeting system, 2(10%) respondents disagreed, 3(15%) respondents were undecided a while majority of 15(75%) respondents agreed. This simply means that majority of schools prefer site-based budgeting. This is where the schools allocate resources to individual items e.g. food, water and stationery. As noted by Latarola, et.al (2000) school (site) based budgeting recognizes the expertise and competence of those who work in individual schools to make decisions to improve learning, it gives teachers, other staff members and the community increased input into decisions and can improve teachers' morale because they see they that it can have an immediate impact on their environment.

On matters zero-based budget, majority of 12(60%) respondents disagreed, 5(25%) respondents were undecided while 3(15%) respondents agreed. The findings imply that most secondary schools adopt the use of cash flow budgets and (site) school-based budgeting. Further findings indicated that most of the Principals indicated that they are more inclined to using cash flow budgets. Magak, (2013) further sets that schools need budgetary program arranging and planning frameworks, where plans are accommodated in getting instructive goals. The examination set up that head

instructors made, did not endeavor to gauge the consequences of consumption and to decide if the spending choices have accomplished wanted outcomes.

Table 4.8 Bursars/ Accounts clerks' Views on the Nature of budgets

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Cash flow	-	-	-	9(100%)	-
Program-planning budgeting systems	-	1(11.1%)	8(88.9%)	-	-
School (site) based budgeting	-	-	-	9(100%)	-
Zero based budgets (ZBB)	-	9(100%)	-	-	-

Source: Research Data

Bursars were asked to give their views on whether schools prefer cash flow system. From the findings of table 4.8, it was noted that majority of the schools prefer cash flow/cash budgets since all the 9(100%) Bursars that participated in the study agreed when they were asked so. This agrees with the findings of the study done by Kairuki (2010) who asserted that cash flow budget helps the business determine when income will be sufficient to cover expenses and when it will seek for external financing.

Asked whether schools prefer program-planning budgeting systems, 1(11.1%) Bursar that participated in the study disagreed while 8(88.9%) respondents were undecided. Concerning whether schools prefer School (site) based budgeting, all 9(100%) Bursars that participated in the study agreed giving an indication that almost all schools prefer site-based budgeting system. On whether schools prefer zero-based budget, all 9 (100%) respondents disagreed giving an indication that other systems are preferred to this. These findings agree with the findings of the study done by Otikey and Omboi, (2010) who argued that it's normal to hear varieties of the expressions "the spending plan doesn't allow", or it's not in the endorsed financial plan" all in view

of the spending consistence and schools ought to have a definite budget as per government standards.

Further findings from the interviews given to principals show that majority of schools headed by the interviewed principals embrace the use of school based budgeting and cash flow budgeting. These findings corroborate with findings of the study done by Kariuki (2010) who asserted school based budgeting recognizes the expertise and competence of those who work in individual schools to make decisions to improve learning.

4.5 Strategies to Survive the High Costs of Goods and Services

Objective two sought to evaluate the strategies used by the schools to survive the high cost of goods and services. The respondents were required to give their level agreement on the various strategies that served as indicators. The results are indicated in Table 4.9, 4.10 and 4.11.

Table 4.9 Boards of Management's Perspective on the Strategies Employed by Schools to Curb the Risings Costs

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Income generating activities are used to finance deficit	1(3.3%)	10(33.3%)	-	14(46.7%)	5(16.7%)
Programs are stopped when there are no finances	5(16.7%)	14(46.7%)	-	8(26.7%)	3(10%)
The board seeks alternative funds	7(23.3%)	4(13.3%)	6(20%)	8(26.7%)	5(16.7%)
Raising school fees to curb the rising cost	7(23.3%)	8(26.7%)	9(30%)	4(13.3%)	2(6.7%)

Source: Research Data

Boards of Management was asked to give their view on whether income generating activities are used to finance deficit in their schools. From table 4.9, 1(3.3%) respondent strongly disagreed, 10(33.3%) respondents disagreed, majority of 14(46.7%) respondents agreed while 5(16.7%) respondents strongly agreed. This means that the school's income generating activities in most schools are used to finance the deficit agreeing with the findings of the study done by Kones (2012) which established that schools have put in place measures to deal with the rising costs under the leadership of the various Principals.

Asked whether programs are stopped when there are no finances, 5(16.7%) respondents strongly disagreed, majority of 14(46.7%) respondents disagreed, 8(26.7%) respondents agreed while 3(10%) respondents strongly agreed. These findings agree with the findings of Kaguri, Njati & Thiaine, (2014) who opined that for financial management to be prudent programs that bring more returns than the initial cost should be enhanced to cushion schools from rising cost.

Concerning whether the board seeks alternative funds, 7(23.3%) respondents strongly disagreed, 4(13.3%) respondents disagreed, 6(20%) respondents were undecided, majority of 8(26.7%) respondents agreed while 5(16.7%) respondents strongly agreed. This agrees with the findings of Mogire (2016) which noted that schools approach parents and donors for financial assistance in order to address budget shortfalls as opposed to borrowing loans or using their income generating projects to this end.

On whether schools raise school fees cost to cover some budgets, 7(23.3%) respondents strongly disagreed, 8(26.7%) respondents disagreed, 9(30%) respondents were undecided, 4(13.3%) respondents agreed while 2(6.7%) respondents strongly

agreed. This implies that schools rarely raise fees to cover for the shortfall of funds. This may be attributed to the fact that the government through the ministry of education has given stringent fee guidelines which needs to be adhered to.

Further findings indicate that during the times of fluctuating prices of goods and services the board at usually meet to mitigate the effects and from the study they were biased to only when there is a rise in the cost. Most of the board members agreed that financials statements are presented during board meeting for discussion and adoption, though they indicated that the projects they have are for sustenance and not for profit.

Table 4.10 Head of Department Perspective on the Strategies Employed by Schools to Curb the Risings Costs

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Income generating activities are used to finance deficit	1(5%)	4(20%)	-	12(60%)	3(15%)
Programs are stopped when there are no finances	3(15%)	12(60%)	-	3(15%)	2(10%)
The board seeks alternative funds	5(25%)	5(25%)	-	5(25%)	5(25%)
Raising school fees to curb the rising cost	5(25%)	5(25%)	6(30%)	2(10%)	2(10%)

Source: Research Data

Heads of department were asked to give their view on whether income generating activities are used to finance deficit in their schools. From table 4.10, 1(5%) respondent strongly disagreed, 4(20%) respondents disagreed, majority of 12(60%) respondents agreed while 3(15%) respondents strongly agreed. This means that the school's income generating activities in most schools are used to finance the deficit agreeing with the findings of the study done by Lee and Moser, (2019) who in his

study argued that income generating activities in schools are used to supplement tuition and fees, to ease the budget for the schools.

Asked whether programs are stopped when there are no finances, 3(15%) respondents strongly disagreed, majority of 12(60%) respondents disagreed, 3(15%) respondents agreed while 2(10%) respondents strongly agreed. These findings agree with the findings of the study done by Weisbrod and Asch, (2010) who insisted that projects don't stop as substantial investments are made in advancement; many institutions have recently experienced slow development.

Concerning whether the board seeks alternative funds, 5(25%) respondents strongly disagreed, 5(25%) respondents disagreed, 5(25%) respondents agreed while 5(25%) respondents strongly agreed. The findings of the study show that the level of agreement was 50-50 meaning that the board seeks for funds in some schools while in others they don't. This agrees with the findings of (McElhaney, 2010) who agreed that the alternative funds sought by the schools and Boards of Management, have received a disproportionate amount of coverage in the literature when compared to their funding consequences.

On whether schools raise school fees cost to cover some budgets, 5(25%) respondents strongly disagreed, 5(25%) respondents disagreed, 6(30%) respondents were undecided, 2(10%) respondents agreed while 2(10%) respondents strongly agreed. This implies that majority of the schools seek for alternative way to raise funds having rising of school fee as one of the strategies according to the heads of departments. The findings of this study go hand in hand with the study done by (Suleman &

Pakhtunkhwa, 2015), who in their study found out that school fees are raised to cover the challenges faces in budgeting.

Further findings indicated that Heads of Departments are sometimes forced to come with very creative ways and low-cost departmental programs so as to enable them implement all their departmental programs. The Heads of Departments further indicated that the income generating activities are normally Boards of Management' orientation; they only serve to implement not come up with such activities.

Table 4.11 Bursars/Accounts Clerk Perspective on the Strategies Employed by Schools to Curb the Risings Costs

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Income generating activities are used to finance deficit	-	-	-	9(100%)	-
Programs are stopped when there are no finances	-	9(100%)	-	-	-
The board seeks alternative funds	2(22.2%)	-	-	5(55.6%)	2(22.2%)
Raising school fees cost	2(22.2%)	5(55.6%)	2(22.2%)	-	-

Source: Research Data

Bursars/accountants were asked to give their view on the strategies schools employ to curb the rising costs. Table 4.11 revealed that schools have developed a number of alternative strategies to deal with the rising costs in the education sector even when dealing with development projects. All 9(100%) Bursars that participated in the study agreed that income generating activities are used to finance deficit in their schools.

On whether programs are stopped when there are no finances, all 9(100%) Bursars/accountants that participated in the study disagreed that programs are not stopped when finances are scarce, because these programs promise bigger rewards which helps in containing schools during the rising cost.

On whether the board seeks alternative funds 2(22.2%) respondents strongly disagreed, majority of 5(55.6%) respondents agreed while 2(22.2%) respondents strongly agreed. This give an indication that most Bursars were agreeing with the findings of the study done by James, et.al (2016) who asserted that a school manager must do all that is within his limits to ensure that the school operations are not halted by financial constraints. He/she must make do with the available finances and develop strategies that will ensure that resource allocation is effective and efficient.

On whether schools raise school fees cost to cover some budgets, 2(22.2%) respondents strongly disagreed, majority of 5(55.6%) respondents disagreed while 2(22.2%) respondents were undecided. This implies that majority of the schools seek for alternative way to raise funds having raising of school fee as one of the strategies according to the Bursars. The findings of this study agree with the study done by, Xie, et.al (2017) who posit that the rationale for financial management is raising funds for both short-term and long-term use and enhancing proper utilization of the funds.

Further findings from the Bursars/Accounts clerk indicated that most of the school has put in places strategies to enable them run even when they are faced with fluctuating cost and some of the strategies include, having a farm where they grow produce to supplement the usage of goods and dairy farming which allow that budgets for their produces to be used in other deserving areas. The responses from most of the Bursars/Accounts clerks indicated that the income generating activity is basically used for sustenance and not for profit making.

Further inputs from the Principals indicated that the strategies used to counter effects of fluctuating cost is through dairy farming, renting out of school busses for those schools which have them, leasing out dormitories during holidays and dining halls for conferences. The Principals further indicated whenever they are surplus in the farm produces, they are sold and the funds channeled to the schools account. The Principals further stressed that the income generating activities are mainly used to supplement the goods the school buys and sometimes in cases where parents cannot pay school fees they are encouraged to pay them in kind. Furthermore, in order for schools to mitigate the rising costs, the principals indicated that scaling down development projects is not a viable option for the school heads. According to Odero, (2007), a school manager must do all that is within his limits to ensure that the school operations are not halted by financial constraints. The school must survive with the available finances and develop strategies that will ensure that resource allocation is effective and efficient.

4.6 Effect of Rising Cost on Quality of Services of Secondary Schools

The study further sought to establish the effect of the rising costs on the quality of services while identifying the affected areas and the priority areas due to the rising costs. The findings are indicated in table 4.12. 4.13 and 4.14

Table 4.12 Boards of Management Perspective on Effect of Rising Cost on Quality of Services

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Board discusses the effects of unforeseen rise in costs and factors it in the budget.	-	7(23.3%)	6(20%)	17(56.7%)	-
Budgeting and budget approval done termly to cater for changes in cost of goods and services in school.	-	9(30%)	12(40%)	9(30%)	-
Budget approval put in place measures to counter effects of rising costs	-	5(16.7%)	7(23.3%)	18(60%)	-
The board is keen on budget approval	-	15(50%)	6(20%)	17(56.7%)	-

Source: Research Data

Boards of Management was asked to indicate their level of agreement concerning their perspective on effect of rising cost on quality of services. From table 4.12, 7(23.3%) Boards of Management disagreed when asked on whether board discusses the effects of unforeseen rise in costs and factors it in the budget. 6(20%) respondents were undecided and majority of 17(56.7%) respondents agreed. This was not seen as major effect. The results imply that quality education and performance were affected by the rising costs. This may also mean that the available funds are channeled to other areas. These findings agree with the findings of the study done by Espinosa (2017) who asserted that the school Principal should always consider the board's decision on financial matters in school.

Asked whether budgeting and budget approval are done timely to cater for changes in cost of goods and services in school, 9(30%) respondents disagreed, 12(40%) respondents were undecided while 9(30%) respondents agreed. These findings agree with the findings of the study done by Silva (2012) who insisted on importance of budgeting before initiating the program.

Concerning whether budget approval put in place measures to counter effects of rising costs, 5(16.7%) respondents disagreed, 7(23.3%) respondents were undecided while majority of 18(60%) respondents agreed. These findings agree with the findings of the study done by Jayamaha (2015). He reiterated in his study that budget should be adjusted in a way that it will accommodate any upcoming emergency measure that needs to be solved.

On whether the board is keen on budget approval, 15(50%) respondents disagreed, 6(20%) respondents were undecided while majority of 17(56.7%) respondents agreed. The findings of this study are in agreement with the study done by Espinosa (2017) who addressed the financial challenges and the importance board gives to the school in matters solving budgetary problems.

Further findings indicated that Boards of Management, agreed that the Principals and their staff play a crucial role in mitigating the rising costs, because they indicated that they task them with coming with creative ways of having to cascade through the fluctuating cost without burdening the parents, since they only approve such plans.

Table 4.13 Heads of Departments' Perspective on Effect of Rising Cost on Quality of Services

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Demotivated teachers	4(20%)	2(10%)	-	6(30%)	8(40%)
Poor performance	3(15%)	2(10%)	-	3(15%)	12(60%)
Inadequate teaching and learning materials.	-	-	-	8(40%)	12(60%)
Slow development	6(30%)	3(15%)	-	12(60%)	2(10%)
Syllabus not covered	2(10%)	3(15%)	4(20%)	5(25%)	6(30%)

Source: Research Data

Heads of department were asked to indicate their level of agreement concerning their perspective on effect of rising cost on quality of services. From table 4.13, 4(20%) Heads of department strongly disagreed when asked on whether rising cost has demotivated teachers. 2(10%) respondents disagreed, 6(30%) respondents agreed and majority of 8(40%) respondents strongly agreed agreeing with the findings of the study done by Bennell (2016). In his study, teacher motivation is the key to academic excellence in every school. Financial appreciation given to teachers motivates them highly.

On whether poor performance can be attributed to the rising cost, 3(15%) Heads of department that participated in the study strongly disagreed. 2(10%) respondents disagreed, 3(15%) respondents agreed while majority of 12(60%) respondents strongly agreed giving an indication that rise in cost affect the quality of Services negatively. On the other hand, when asked if inadequate teaching and learning materials are due to the rising cost, 8(40%) heads of department agreed that it affects the quality of Services while majority of 12(60%) respondents strongly agreed. The findings of this study agree with earlier study by Kones (2012) which established that

the biggest effect of the rising cost in its study was the academic performance of the schools as opposed to the development of the schools and operations.

On whether slow development was as a result of rising cost, 6(30%) heads of department strongly disagreed, 3(15%) respondents disagreed, majority of 12(60%) respondents agreed and 2(10%) strongly agreed. The researcher also sought to find out if syllabus coverage was an effect of rising cost, 2(10%) respondents strongly disagreed, 3(15%) respondents disagreed, 4(20%) respondents did not indicate their responses, 5(25%) respondents agreed and majority of 6(30%) respondents strongly agreed. These findings corroborate with the findings of the study done by Bennell and Ntagaramba (2016) who asserted that syllabus coverage and slow development of the schools are attributed to the rising cost.

Table 4.14 Bursar/ Accounts Clerk Perspective on Effect of Rising Cost on Quality of Services

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Demotivated teachers	-	-	-	6(66.7%)	3(33.3%)
Poor performance	-	-	-	9 (100%)	-
Inadequate teaching and learning materials.	-	-	-	2(22.2%)	7(77.8%)
Slow development	-	-	-	6(66.7%)	3(33.3%)
Syllabus not covered	-	-	2(22.2%)	4(44.4%)	3(33.3%)

Source: Research Data

Bursars/accountants were asked to indicate their level of agreement concerning their perspective on effect of rising cost on quality of services. From table 4.14, majority of 6(66.7%) Bursar/school accountants agreed when asked on whether rising cost has demotivated teachers. 3(33.3%) respondents strongly agreed agreeing with the

findings of the study done by Mgeni (2015) which established that priority ought to be given to strategies that motivate teachers.

On whether poor performance can be attributed to the rising cost, all 9(100%) Bursars/school accountants that participated in the study agreed. On the other hand, when asked if inadequate teaching and learning materials are due to the rising cost, 2(22.2%) Bursar/school accountants agreed that it affects the quality of services while 7(77.8%) Bursars/school accountants strongly agreed. The study established that the most affected area due to the rising costs was teaching and learning materials. All the respondents agreed that the teaching and learning materials were inadequate due to the rising costs. The study agrees with earlier study by Kones (2012) which established that the biggest effect of the rising cost in its study was the academic performance of the schools as opposed to the development of the schools and operations. Schools have developed alternative strategies to deal with the rising costs, for example finding alternative ways to raise money for school projects. Some of the effects include effect on the availability of the teaching and learning materials resulting into effects on the coverage of the syllabus in the schools and affected the academic performances of the schools.

On whether slow development was as a result of rising cost, majority of 6(66.7%) Bursars/school Accounts clerks agreed while 3(33.3%) respondents strongly agreed. The researcher also sought to find out if syllabus coverage was an effect of rising cost, 2(22.2%) Bursars/school accountants did not indicate their responses, 4(44.4%) respondents agreed and 3(33.3%) strongly agreed. The study found out that syllabus coverage and slow development of the schools cannot be attributed to the rising cost.

These findings are consistent to Joab (2010) findings, which in his quest to affirm the use of school assets in generation of supplementary income for secondary schools shows that development and class work cannot come into consideration when thinking of income.

Further findings from the principals interviews, most of the principal indicated that the effects of rising cost include; shortage of funds for schools administration as most programs and fund-based, stalling of projects and slow progress on development, prioritizing of essential programs in school.

4.7 Challenges in Provision of Quality Services

It was important to find out the various challenges by public secondary schools in provision of quality services. This was achieved by asking the respondents to give their level of response on various issues related to challenges. The findings are indicated in table 4.15, 4.16 and 4.17.

Table 4.15 Boards of Management Perception on Challenges Experienced by Public Secondary Schools in Provision of Quality Services

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
High number of drop outs since they cannot raise the fees	2(6.7%)	5(16.7%)	-	15(50%)	8(26.7%)
Teachers are not remunerated well	5(16.7%)	6(20%)	-	13(43.3%)	6(20%)
Learning stops momentarily when students are sent home to make the parents pay fees.	-	5(16.7%)	-	11(36.7%)	14(46.7%)
Quality teaching and learning becomes strenuous	2(6.7%)	6(20%)	3(10%)	8(26.7%)	11(36.7%)

Source (Research Data)

Boards of Management was asked to indicate their level of agreement on the challenges experienced by public secondary schools in provision of quality services. From table 4.15, 2(6.7%) Boards of Management strongly disagreed when they were asked whether there has been high number of drop outs since they cannot raise the fees. 5(16.7%) respondents disagreed, majority of 15(50%) respondents agreed and 8(26.7%) respondents strongly agreed. The findings of this study corroborate with the study done by Bray (2016) who asserted that rise in school fees increases the dropout rate since many parents especially from a developing area do not cope up to finance education as well as daily basic needs.

Asked whether teachers are not remunerated well, 5(16.7%) respondents strongly disagreed, 6(20%) respondents disagreed, majority of 13(43.3%) respondents agreed and 6(20%) respondents strongly agreed. The findings of this study corroborate with the study done by Seead (2012). In his study, he asserted that teachers ought to be remunerated well to motivate them in delivering their core mandate.

Concerning whether learning stops momentarily when students are sent home to make the parents pay fees, 5(16.7%) respondents disagreed, majority of 11(36.7%) respondents agreed and 14(46.7%) respondents strongly agreed. On whether quality teaching and learning becomes strenuous, 2(6.7%) respondents strongly disagreed, 6(20%) respondents disagreed, and 3 (10%) respondents did not indicate their responses, 8 (26.7%) respondents agreed and majority of 11 (36.7%) respondents strongly agreed. These findings are in agreement with the findings of the study done by Rizwani (2012) who insisted on how failure to do proper budget affect teaching and learning negatively.

Further findings indicated that when the pinch of the fluctuating cost is felt the board are forced to make changes and are subjected to discuss and approve increase in fees payable by parents to meet the deficit.

Table 4.16 Head of Departments Perception on Challenges Experienced by Public Secondary Schools in Budget Planning and Management

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Delay and failure of parents in paying fees	2(10%)	4(20%)	-	9(45%)	5(25%)
Increase in school drop-outs	2(10%)	2(10%)	-	9(45%)	7(35%)
Shortage of capital for introducing income generating activities	2(10%)	2(10%)	-	9(45%)	7(35%)
Price increase of goods and services	-	-	-	8(40%)	12(60%)
Under capitation from the government	5(25%)	5(25%)	-	5(25%)	5(25%)

Source (Research Data)

Heads of department were asked to indicate their level of agreement on the challenges experienced by public secondary schools in budget planning and management. 2(10%) heads of departments strongly disagreed when asked whether there is a delay and failure of parents in paying fees. 4(20%) respondents disagreed, majority of 9(45%) respondents agreed and 5(25%) respondents strongly agreed. This is in agreement with the findings of the study done by Kimani (2013) who asserted that fee payment should be done on time to enhance proper running of school affairs.

On whether there is increase in school drop-outs, 2(10%) heads of departments strongly disagreed, 2(10%) respondents disagreed, majority of 9(45%) respondents agreed and 7(35%) respondents strongly agreed. This is in agreement with the findings of the study done by Bray (2016) who asserted that rise in school fees increases the dropout rate since many parents especially from a developing area no cope up to finance education as well as daily basic needs.

Concerning whether there is shortage of capital for introducing income generating activities, 2(10%) heads of departments strongly disagreed, 2(10%) respondents disagreed, majority of 9(45%) respondents agreed and 7(35%) respondents strongly agreed. This corroborates with the findings of the study done by Wesonga, (2016) who highlighted lack of capital as one of the core challenges many schools face in Kenya.

On the other hand, they were asked to give their level of agreement on whether there is price increase of goods and services. 8(40%) respondents agreed and majority of 12(60%) respondents strongly agreed. Concerning whether there is under capitiation from the government, 5(25%) heads of departments strongly disagreed, 5(25%) respondents disagreed, 5(25%) respondents agreed and 5(25%) respondents strongly agreed. These findings agree with the findings of the study done by Wayua (2015). In his study, it was clear that government's funding through CDF kitty has been of great help on matters budget. However, funding from the government has not been regular. Further findings from the heads of departments, indicated that their programs at most cases are run at market value hence at some point they are forced to ask the Principal to increase funds allocated to their departments.

Table 4.17 Bursars/Accounts Clerk Perception on Challenges Experienced by Public Secondary schools in Budget Planning and Management

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Delay and failure of parents in paying fees	-	-	-	7(77.8%)	2(22.2%)
Increase in school drop-outs	-	-	-	7(77.8%)	2(22.2%)
Shortage of capital for introducing income generating activities	-	-	-	7(77.8%)	2(22.2%)
Price increase of goods and services	-	-	-	2(22.2%)	7(77.8%)
Under capitation from the government	2(22.2%)	5(55.6%)	-	2(22.2%)	-

Source (Research Data)

Bursars/school Accountants were asked to indicate their level of agreement on the challenges experienced by public secondary schools in budget planning and management. Majority of 7(77.8%) Bursars/school accountants agreed when they were asked whether there is delay and failure of parents in paying fees. 2(22.2%) respondents strongly agreed. As indicated by Kiveu and Mayio (2009), high rates of absenteeism are associated with school fees as students are regularly sent home for school fees hence affecting syllabus coverage and performance in secondary schools.

On whether there is increase in school drop-outs, majority of 7(77.8%) respondents agreed and 2(22.2%) respondents strongly agreed. On whether there is shortage of capital for introducing income generating activities, majority of 7(77.8%) respondents agreed and 2(22.2%) respondents strongly agreed. This implies that when parents delay or do not pay schools fees on time, budget planning is not only affected but also the quality of services. The drop out causes may be attributed to the rising costs

forcing students to drop out due to lack of schools' fees. These findings agree with the findings of Kones (2012) which established that the greatest challenge in his study was the increase in the number of school dropout despite the enrolment of the students in the schools remaining relatively normal.

On the other hand, they were asked to give their level of agreement on whether there is price increase of goods and services. 2(22.2%) respondents agreed and majority of 7(77.8%) respondents strongly agreed. These findings are in agreement with the study by Nyaga, (2006) who established that price increase of goods and services in public secondary school had serious negatives effects upon parents not paying all fees or they pay in belated installment. He recommended that awareness campaigns should be held by educational stakeholders as for the ministry of education, science and technology to sensitize the parents on the importance of paying school fees on time.

Concerning whether there is under capitation from the government, 2(22.2%) Bursars/school accountants strongly disagreed and majority of 5(55.6%) respondents disagreed. None of the respondents were agreeing with that. The findings are in line with the findings of Kones (2012), which established that Principals were facing serious challenges in dealing with the rising costs.

Further findings from the Bursars/account's clerks found that the school increase fees payable by the parents do not normally meet the deficits as whenever there is increase in fees the influx of money to school from the parents become slow. Hence it not a guarantee that the fee increment would meet the deficit.

Further findings from the principals reiterated the position given by the Bursars/accounts, adding that whenever there is fee increment the school witness most cases of drop outs in schools. Also, principals indicated that learning stops momentarily when students are sent home to make the parents pay fees and thus quality teaching and learning becomes strenuous.

4.8 Budgeting and Provision of Quality Services

The study went further ahead to try to understand about the dependent variable of the study in the various schools the study covered. By so doing the researcher wanted to understand how the school raises funds and how it utilized it for service provision. The tables 4.18, 4.19 and 4.20 show the findings on the same;

Table 4.18 Boards of Management Perspective on Provision of Services

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Farming is one of the school's incomes generating activity initiated by the board.	8(26.7%)	5(16.7%)	6(20%)	9(30%)	2(6.7%)
Work study program has been created to help the needy students to pay fees.	2(6.7%)	4(13.3%)	-	15(30%)	9(30%)
The school invests in treasury bonds and shares	11(36.7%)	15(50%)	-	2(6.7%)	2(6.7%)
School facilities are hired out to earn some income.	2(6.7%)	2(6.7%)	-	16(53.3%)	10(33.3%)

Source (Research Data)

Boards of Management was asked to indicate their perspective on provision of services in their schools. When asked on whether farming is one of the school's incomes generating activity initiated by the board, 8(26.7%) respondents strongly disagreed, 5(16.7%) respondents disagreed, 6 (20%) respondents did not indicate their response, majority of 9 (30%) respondents agreed and 2 (6.7%) respondents strongly agreed. This is in agreement with the findings of the study done by Wesonga (2016) who rated farming as a good source of funding a school can use as much as they have land to conduct farming.

When asked on whether work study program has been created to help the needy students to pay fees, 2(6.7%) respondents strongly disagreed, 4(13.3%) respondents disagreed, majority of 15(30%) respondents agreed and 9(30%) respondents strongly agreed. This is in agreement with the findings of the study done by Bray (2016) who asserted that needy students should be considered in every school's program.

Concerning whether the school invests in treasury bonds and shares, 11(36.7%) respondents strongly disagreed, majority of 15(50%) respondents disagreed, 2(6.7%) respondents agreed and 2(6.7%) respondents strongly agreed. On the other hand, Boards of Management was asked whether school facilities are hired out to earn school some income. 2(6.7%) respondents strongly disagreed, 2(6.7%) respondents disagreed, majority of 16(53.3%) respondents agreed and 10(33.3%) respondents strongly agreed. Based on the study done by Wesonga (2016) an institution conducting a business was captured to be helping in terms of getting funds to transform the school financially.

Table 4.19 Head of Departments Perspective on Budgeting and Provision of Quality Services

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
School's income generating activity initiated create funds	2(10%)	5(25%)	-	7(35%)	6(30%)
Work study program has been created to help the needy students to pay fees.	2(10%)	12(60%)	1(5%)	4(20%)	1(5%)
The school invests in treasury bonds and shares	5(25%)	13(65%)	-	-	2(10%)
School facilities are hired out to earn school some income.	6(30%)	5(25%)	-	7(35%)	2(10%)

Source (Research Data)

Heads of departments were asked to indicate their perspective on provision of services in their schools. When asked whether school's income generating activity initiated create funds, 2(10%) respondents strongly disagreed, 5(25%) respondents disagreed, majority of 7(35%) respondents agreed and 6(30%) respondents strongly agreed. Based on the study done by Wesonga (2016), school's initiatives to source funds are worth supported.

On whether work study program has been created to help the needy students to pay fees, 2(10%) respondents strongly disagreed, majority of 12(60%) respondents disagreed, 1(5%) respondent did not indicate his/her response 4(20%) respondents agreed and 1(5%) respondent strongly agreed. This is in agreement with the findings of the study done by Dibski (2013), schools are advised to constitute a program that will help fund the education of needy students who are objective to excel in their education.

On whether the school invests in treasury bonds and shares, 5(25%) respondents strongly disagreed, majority of 13(65%) respondents disagreed and 2(10%) respondents strongly agreed. On the other hand, when asked whether school facilities are hired out to earn school some income, 6(30%) respondents strongly disagreed, 5(25%) respondents disagreed, majority of 7(35%) respondents agreed and 2(10%) respondents strongly agreed. This corroborates with the findings of the study done by Eicher (2014) who asserted that every school should be having an initiative that enables them get funds and not entirely rely on the government and fees payment.

Table 4.20 Bursars/Accounts Clerks Perspective on Budgeting and Provision Quality of Services

	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
School's income generating activity initiated create funds	-	3(33.3%)	-	3(33.3%)	3(33.3%)
Work study program has been created to help the needy students to pay fees.	-	9(60%)	-	-	-
The school invests in treasury bonds and shares	-	9(60%)	-	-	-
School facilities are hired out to earn school some income.	1(11.1%)	2(22.2%)	-	4(44.4%)	2(22.2%)

Source (Research Data)

Bursars/school accountants were asked to indicate their perspective on provision of services in their schools. When asked whether school's income generating activity initiated create funds, 3(33.3%) respondents disagreed, 3(33.3%) respondents agreed and 3(33.3%) respondents strongly agreed. This is in agreement with the findings of the study done by Eicher (2014). In his study, Principals are encouraged to support initiatives that enhance the school to get funds.

On whether work study program has been created to help the needy students to pay fees, all 9(60%) Bursars/school accountants that participated in the study disagreed. On the other hand, whether the school invests in treasury bonds and shares, all 9(60%) Bursars/school accountants that participated in the study disagreed. Based on the study done by Espinosa (2017), schools are advised to draw a program that enables them fund the education for the needy students. The researcher recommends that schools should draw up that program in order to achieve equitable education.

Concerning whether school facilities are hired out to earn school some income, 1(11.1%) respondents strongly disagreed, 2(22.2%) respondents disagreed, majority of 4(44.4%) respondents agreed and 2(22.2%) respondents strongly agreed. This corroborates with the findings of the study done by Eicher (2014) who asserted that every school should be having an initiative that enables them get funds and not entirely rely on the government and fees payment.

4.9 Inferential Statistics

The inferential statistics of the study sought to bring out how nature of budgeting which is the dependent variable affects provision of quality services, strategies to survive rising costs, effects of rising costs on quality of services, challenges in provision of quality services.

Table 4.21: Coefficient of Determination for Boards of Management

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			
						F Change	df1	df2	Sig. F Change
1	.942 ^a	.888	.875	.473	.888	68.507	3	26	.000

a. Predictors: (Constant), Strategies to survive fluctuating costs, Effects of rising costs on quality of services, Challenges in provision of quality services

b. Dependent Variable: provision of quality services

Source: Research Data

The study sought to establish the regression model significance, the data of which is presented in table 4.21. From the regression model, a correlation coefficient value of 0.942^a was established. This shows a strong positive linear relationship of school budgeting and provision of quality services on the independent variables. A coefficient of determination (R-square) value of 0.888 was established. This explains the fact that the independent variables accounted for 88.8% changes in provision of quality services, the remaining 11.2% can be explained by other factors not captured in this study.

Table 4.22: Analysis of Variance (ANOVA) on Boards of Management

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	46.042	3	15.347	68.507	.000 ^b
	Residual	5.825	26	.224		
	Total	51.867	29			

a. Dependent Variable: provision of quality services

b. Predictors: (Constant), Nature of budgets, Strategies to survive rising costs, Effects of rising costs on quality of services, Challenges in provision of quality services

Source: Research Data

Analysis of Variance was used to test the significance of the regression model as pertains to significance in the differences in means of the dependent and independent

variables. The ANOVA test for Boards of Management produced an F-value of 68.507 which was significant at 0.05 and the significance value ($p = 0.000^b$), since p is less than 0.05. The regression model is significant at 95% confidence level; therefore, the regression model statistically, significantly predicts the outcome of the variable. Therefore, Boards of Management were significant in provision of quality services in secondary schools.

Table 4.23: Coefficient of Determination for Heads of Departments

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			
						F Change	df 1	df2	Sig. F Change
1	.897 ^a	.805	.753	.741	.805	15.467	4	15	.000

a. Predictors: (Constant), Nature of budgets, Strategies to survive rising costs, Effects of rising costs on quality of services, Challenges in provision of quality services

b. Dependent Variable: Provision of quality service

Source: Research Data

The study sought to establish the regression model significance, the data of which is presented in table 4.23. From the regression model, a correlation coefficient value of 0.897^a was established. This shows a strong positive linear relationship of school budgeting and quality provision of service on the independent variables. A coefficient of determination (R-square) value of 0.805 was established. This explains the fact that the independent variables accounted for 80.5% changes in provision of quality service, the remaining 19.5% can be explained by other factors not captured in this study.

Table 4.24: Analysis of Variance (ANOVA) for Heads of Departments

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	33.965	4	8.491	15.467	.000 ^b
	Residual	8.235	15	.549		
	Total	42.200	19			

a. Dependent Variable: Provision of quality service

b. Predictors: (Constant), Nature of budgets, Strategies to survive rising costs, Effects of rising costs on quality of services, Challenges in provision of quality services

Source: Research Data

Analysis of Variance was used to test the significance of the regression model as pertains to significance in the differences in means of the dependent and independent variables. The ANOVA test for heads of department produced an F-value of 15.467 which was significant at 0.05 and the significance value ($p = 0.000^b$), since p is less than 0.05. The regression model is significant at 95% confidence level; therefore, the regression model statistically significantly predicts the outcome variable. Therefore, heads of departments were significant in provision of quality services in secondary schools.

Table 4.25: Coefficient of Determination for Bursars/Accounts Clerks

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.476 ^a	.226	-.238	1.472	.226	.487	3	5	.706

a. Predictors: (Constant), Nature of budgets, Strategies to survive rising costs, Effects of rising costs on quality of services, Challenges in provision of quality services

b. Dependent Variable: Provision of quality service

Source: Research Data

The study sought to establish the regression model significance, the data of which is presented in table 4.25. From the regression model, a correlation coefficient value of 0.476^a was established. This shows a fairly strong positive linear relationship of

school budgeting and quality provision of service on the independent variables. A coefficient of determination (R-square) value of 0.226 was established. This explains the fact that the independent variables accounted for 22.6% changes in provision of quality service, the remaining 85.4% can be explained by other factors not captured in this study.

Table 4.26: Analysis of Variance (ANOVA) for Bursars/Accounts Clerks

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3.167	3	1.056	.487	.706 ^b
	Residual	10.833	5	2.167		
	Total	14.000	8			

a. Dependent Variable: provision of quality service

b. Predictors: (Constant), Nature of budgets, Strategies to survive rising costs, Effects of rising costs on quality of services, Challenges in provision of quality services

Source: Research Data

Analysis of Variance was used to test the significance of the regression model as pertains to significance in the differences in means of the dependent and independent variables. The ANOVA test for Bursars/Accounts clerks produced an F-value of 0.487 which was not significant at 0.05 as the significance value was ($p = 0.706^b$), and p is greater than 0.05. The regression model is significant at 95% confidence level; therefore, the regression model statistically does not significantly predict the outcome variable. Therefore, Bursars/Accounts clerks weren't significant in provision of quality service in secondary schools they are tasked with the deliverables of the budget not formulating the budget.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter points out the key information on data presentation, analysis and discussion of the results in the light of the objectives and research question of the study.

5.2 Summary of Findings

The purpose of this study was to find out the effects of rising costs on budgeting and provision of quality services in public secondary schools in Ainamoi Sub-county, Kenya. The first objective sought to establish the nature of budgets adopted by secondary schools in management of funds. The study noted that most schools prefer cash flow budget system and school (site) based budget system. It was also noted that most schools do not prefer zero-based budget system. Further findings from the Principals indicated that they are more inclined to using cash flow budgets.

The second objective sought to evaluate the strategies used by the schools to survive the high cost of goods and services. The findings of the study show that income generating activities are used to finance deficit in most schools based on the response given by Boards of Management, heads of department and Bursars/Accounts clerks. On whether programs are stopped when there are no finances, majority of the respondents disagreed, however, some agreed giving an indication that most programs run whether when there are finances or not while other are stopped. On whether the board seeks alternative funds, majority of the heads of department and Boards of Management agreed while Bursars/Accounts clerks disagreed. On whether raising

school fees cost is one of the strategies employed by schools in order to survive the high costs, majority of the respondents from Bursars/school accountants, heads of department and Boards of Management disagreed giving an indication that schools always find other means to get finances since the government gives fees guidelines.

The third objective sought to establish the effect of the rising costs on the quality of services while identifying the affected areas and the priority areas due to the rising costs. Asked whether board discusses the effects of unforeseen rise in costs and factors it in the budget, majority of heads of department agreed. On whether budgeting and budget approval is done termly to cater for changes in cost of goods and services in school, majority of heads of department agreed. The study found out that budget approval in most schools put in place measures to counter effects of rising costs and the board is always keen on budget approval. The study also found out that the rise in cost demotivates teachers and leads to poor performance as there will be inadequate teaching and learning materials. It also slows down development and syllabus coverage.

The fourth objective sought to find out the various challenges by public secondary schools in budget planning and management. The study found out the following to be the challenges faced by schools based on the response given by the Boards of Management; high number of drop outs since they cannot raise the fees, lack of proper remuneration of teachers, suspension of learning when students are sent home to make the parents pay fees and quality teaching and learning becomes strenuous when there is rise in cost of living. Furthermore, delay and failure of parents in paying fees as well as shortage of capital investments for raising funds were found to be challenges faced in most schools. Asked whether price increase of goods and services

is a challenge, majority of respondents agreed to that, however, majority of them disagreed arguing that there is under capitation from the government.

5.3 Conclusion

From the findings of the study, the following conclusions were made;

Schools in Ainamoi sub-county preferred site (school) based budgeting and cash flow budgeting. This is because priority was given to the most important projects like teaching and learning materials and basic needs.

The study came to a conclusion that schools have developed strategies to earn extra income to assist them. The alternative ways for generating income adopted by majority of the schools was farming.

The study concluded that the rising cost affects the provision of quality services that is delivered in school. This is because acquisition of essential materials such as teaching and learning materials becomes hard due to the cost.

The study further concluded that the major challenge that affect school budget was delay of parents to pay schools fees. Fees arrears affected budgeting in secondary schools in the area.

5.4 Recommendation of the Study

The following recommendations were made: -

- i. The study recommended that the site (school) based budgeting and cash flow budget be used in schools as it factors in the most important aspects of teaching and education.

- ii. Government should ensure that schools which do not have alternative income are encouraged to seek for alternative sources of financing such as farming or hiring out of school assets such as the playground, halls, chairs etc.
- iii. The study recommended that in order to further enhance financial management in public secondary schools there ought to be budgetary controls and all school stakeholders ought to be involved in the budgetary process.
- iv. The school Principals should develop school procedures that require school members including teachers and support staff to participate in income generating activities to help schools manage rising costs in order to achieve swift provision of quality services.
- v. School fees need to be revised yearly based on the prevailing economic situation.
- vi. The Principals need to devise ways to ensure that school fees are cleared by parents having in mind not to disrupt the learning of students in school, this can include accepting school fees payment in kind.

5.5 Areas for Further Studies

The researcher recommends that further studies be done in the following areas: -

- i. A comparative study on the effect of rising costs on budgeting and provision of quality services in private secondary schools.
- ii. Another study be done to examine other factors, besides the ones addressed in this study that influence financial management in Secondary schools in Kenya.

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APPENDIX I: INFORMED CONSENT LETTER

**Department of Educational Management and policy studies
School of Education
Moi University,
Box 3900,
ELDORET, KENYA**

Dear participant.

RE: INFORMED CONSENT LETTER.

I am a postgraduate student in the Department of Educational Management and policy Studies Moi University. I am pursuing a master of philosophy degree program in Educational Management and policy studies. I hereby kindly request you to participate in the study. The purpose of the study is to provide information on the effect of rising costs on Budgeting and provision of quality services in public secondary schools in Ainamoi District.

You are requested to provide sincere and accurate responses to all items in the questionnaire that you will be given. The information you give will be kept confidential and will not be used for any purpose which is not related to the objectives of this study. Please do not write your name on any of the papers provided.

You may contact the researcher for more information about the study or you may request the researcher to communicate the findings of this study. Thank you very much for volunteering to participate.

Yours sincerely,

Reuben Kipkorir Ngetich

ADM. NO. EDU/PGES/ 1004/09.

APPENDIX II: QUESTIONNAIRE FOR THE BOM

The purpose of this questionnaire is to collect information on the effects of rising costs on budgeting and provision of quality services in public secondary schools in Ainamoi District from the Boards of Management. You are requested to fill in this questionnaire by giving your opinion. Please fill in the blanks provided by ticking against the most appropriate answer. For Question 21 to 25 give your opinion on the spaces provided

SECTION A.**BIO-GRAPHICAL DATA**

1. What's your gender?

Male

Female

2. How many years have you been a member of the board?

Less than a year

Between 1 and 2 years

Between 4 and 6 years

Between 7 and 9 years

SECTION B.

Please tick the most appropriate answer that indicates your opinion, where: SA – Stands for Strongly Agree, A-agree U-Undecided, D-Disagree and SD-Strongly Disagree.

Score : 1-Strongly disagree (SD), 2-Disagree (D), 3-Undecided (U), 4-Agree (A) and 5-Strongly Agree

S/NO	Effects of Rising Costs of Budget Approval and Provision of Quality Services in Secondary	SA	A	U	D	SD
1.	The board discusses the effects of unforeseen rise in costs and factors it in the budget.					
2.	Budgeting and budget approval should be done termly to gather for sudden changes in cost of goods and services in school.					
3.	During budget approval are there measures are put in place to counter effects of rising costs of goods and services.					
4.	The board is not keen on budget APPROVAL, and only approves it as a formality.					
Strategies Used to Counter Effects of Rising Costs						
5.	Income generating activities are used to finance deficit					
6.	Programs are stopped when there are no finances					
7.	The board seeks alternative funds					
8.	Raising school fees cost					
Strategies Used to Maintain Planned Programs						
9.	Income generating activities are used to finance deficits					
10.	Programs are stopped when there are no finances					
11.	The board only approves programs deemed most appropriate other are left out.					
12.	The board is helpless when there are financial deficits					

Strategies for Maximizing on Fees Collection					
13.	The board is strict on fees payment and has come up with policies				
14.	The board encourages parents to pay fees in kind.				
15.	Members of the board help the needy students to pay fees				
16.	The board has recommended that students are sent home to make the parents pay fees.				
17.	Work study program has been created to help the needy students to pay fees.				
Income Generating Activities					
18.	Farming is one of the schools incomes generating activity initiated by the board.				
19.	Retail and whole sale business practiced in school to earn income				
20.	The school invests in treasury bonds and shares				
21.	School facilities are hired out to earn school some income.				

22. Given that costs of goods and services are ever on the rise, has the board ever discussed on ways of mitigating it's effects? Kindly give a brief explanation.

23. Are financial statements presented to the board for discussion and adoption? Are the projects making any profits?

24. Apart from the various means to survive rising costs that have been mentioned in the table above, do you think Principals and its staff play a role in mitigating the rising costs. Explain.

25. During budget implementation, do you sometimes discussed and approve increase in fees payable by parents to meet deficits? Briefly explain how you go about it.

APPENDIX III: QUESTIONNAIRE FOR HEADS OF DEPARTMENTS

The purpose of this questionnaire is to collect information on the effects of rising costs on budgeting and provision of quality services in public secondary schools in Ainamoi District from the Boarding and Games H.O.D's. You are requested to fill in this questionnaire by giving your opinion. Please fill in the blanks provided by ticking against the most appropriate answer.

SECTION A:**BIO-GRAPHICAL DATA**

1. What's your gender?

Male

Female

2. Which department are you heading?

Boarding / senior master

Games master

3. How many years have you been an HOD?

Less than a year

Between 1 and 2 years

Between 4 and 6 years

Between 7 and 9 years

Over 10 years

SECTION: B.

Please tick the most appropriate answer that indicates your opinion, where:

Score: 1-Strongly disagree (SD), 2-Disagree (D), 3-Undecided (U), 4-Agree (A) and

5-Strongly Agree

S/NO	NATURE OF BUDGETS AND WHETHER THEY USE IN SCHOOL	SA	A	U	D	SD
1	Cash flow/ cash budgets					
2	Program – planning – budgeting systems(PPBS)					
3	Site based (school site) budgeting (SBB) – in this case, budgets are prepared by the end users like the heads of departments.					
4	Zero- based budgeting (ZBB) – (This kind of budget assumes that the school system starts out yearly with a “clean state”).					
Strategies Used to Counter Effects of Rising Costs						
5	Income generating activities are used to finance deficit					
6	Programs are stopped when there are no finances					
7	The board seeks alternative funds					
8	Raising school fees cost					
Effect of Raising Cost on Quality of Services in Secondary Schools						
9	Demotivated teachers					
10	Poor performance					
11	Inadequate teaching and learning materials.					
12	Slow development					
13	Syllabus not covered					

Challenges in Public Secondary School Experience in The Budgeting Planning and Management					
14	Delay and failure of parents in paying fees				
15	Increase in school drop-outs				
16	Shortage of capital for introducing raising funds				
17	Price increase of goods and services				
18	Under capitation from the government				

22. Given that costs are ever on the rise, what other provision have you put in place to help you implement all your departmental programs? Kindly give a brief explanation.

23. Within your own department, have you come up with income generating activity?

Explain

24. Apart from the various means to survive rising cost that have been mentioned in the table above, do you have any other means for mitigating the rising costs to effectively run your department?

Explain.

25. During budget implementation do you sometimes ask the Principal to increase funds allocated to your department? Briefly explain how you go about it.

APPENDIX IV: QUESTIONNAIRE FOR BURSARS/ACCOUNTS CLERK

The purpose of this questionnaire is to collect information on the effects of rising costs on budgeting and provision of quality services in public secondary schools in Ainamoi District. You are requested to fill in this questionnaire by giving your opinion. Please fill in the blanks provided by ticking against the most appropriate answer.

SECTION A: BIOGRAPHICAL DATA

1. What is your gender?

Male

Female

2. How many years have you been the Bursar/Accounts clerk

Less than a year

Between 1 and 2 years

Between 4 and 6 years

Between 7 and 9 years

Over 10 years

SECTION B.

Please tick the most appropriate answer that indicates your opinion, where: **SA**-stands for strongly Agree, **A** – agree, **U** – Undecided, **D** – Disagree and **SD** – Strongly Disagree.

Score: 1-Strongly disagree (SD), 2-Disagree (D), 3-Undecided (U), 4-Agree (A) and

5-Strongly Agree

S/NO	NATURE OF BUDGETS AND WHETHER THEY USE IN SCHOOL	SA	A	U	D	SD
1	Cash flow/ cash budgets					
2	Program – planning – budgeting systems(PPBS)					
3	Site based (school site) budgeting (SBB) – in this case, budgets are prepared by the end users like the heads of departments.					
4	Zero- based budgeting (ZBB) – (This kind of budget assumes that the school system starts out yearly with a “clean state”).					
Strategies Used to Counter Effects of Rising Costs						
5	Income generating activities are used to finance deficit					
6	Programs are stopped when there are no finances					
7	The board seeks alternative funds					
8	Raising school fees cost					
Effect of Raising Cost on Quality of Services in Secondary Schools						
9	Demotivated teachers					
10	Poor performance					
11	Inadequate teaching and learning materials.					
12	Slow development					
13	Syllabus not covered					
Challenges in Public Secondary School Experience in The Budgeting Planning and Management						
14	Delay and failure of parents in paying fees					

15	Increase in school drop-outs					
16	Shortage of capital for introducing raising funds					
17	Price increase of goods and services					
18	Under capitation from the government					

22. Given that costs are ever on the rise, what other provision has your school put in place to enable it run its programs? Kindly give a brief explanation.

23. From school records do the income generating activities (if any) make profits?

24. Apart from the various means to survive rising cost that have been mentioned in the table above, do you have any other means for mitigating the rising costs. Explain.

25. During budget implementation do the school increases fees payable by parents to meet deficits? Briefly explain how you go about it.

APPENDIX V: INTERVIEW SCHEDULE FOR PRINCIPALS

1. How many years have you been a Principal?
2. What is the nature of budgets that is used in school?
3. What are the strategies used to counter effects of rising costs that your school uses?
4. What are some of the effect of raising cost on quality of services in secondary schools?
5. What are some of the challenges that public secondary school experience in budgeting planning and management of funds?
6. Given that costs are ever on the rise, what other provision has your school put in place to enable it run its programs?
7. Do the income generating activities (if any) make profits?
8. Apart from the various means to survive rising cost, do you have any other means for mitigating the rising costs?
9. During budget implementation do the school increases fees payable by parents to meet deficits?

APPENDIX VI: RESEARCH PERMIT

PAGE 2 PAGE 3


THIS IS TO CERTIFY THAT:
Prof./Dr./Mr./Mrs./Miss/Institution
Reuben Kipkorir Ngetich
of (Address) Moi University
P.O.Box 3900-30100, Eldoret.
has been permitted to conduct research in

Location Kericho	Research Permit No. NCST/RCD/14/012/1219
District Rif Valley	Date of issue 3rd September, 2012
Province	Fee received KSH. 1,000

on the topic: Effects of rising costs on school budgeting and provision of quality services in secondary schools in Kenya: A case of Kericho District.

for a period ending: 30th October, 2012.

Applicant's Signature



Secretary
National Council for
Science & Technology

APPENDIX VII: RESEARCH AUTHORIZATION

OFFICE OF THE PRESIDENT

PROVINCIAL ADMINISTRATION AND INTERNAL SECURITY

Telegrams:.....
Telephone: Kericho 20132
When replying please quote



THE DISTRICT COMMISSIONER
KERICHO DISTRICT
P. O. BOX 19 - 20200
KERICHO

Ref: ADM 15/3 VOL VII/294

23th October, 2012

TO WHOM IT MAY CONCERN

RE: RESEARCH AUTHORIZATION
REUBEN KIPKORIR NGETICH

This is to confirm that the above named student from Moi University has been authorized by the Kenya National Council for Science and Technology to carry out research on “ **effects of rising costs on school budgeting and provision of quality service in secondary school in Kenya.** Within kericho county for a period ending 30th October 2012

Any assistance accorded to him is highly appreciated.


W.N OLE KAKIMONI

Ag. DISTRICT COMMISSIONER
KERICHO

CC
DISTRICT EDUCATION OFFICER
KERICHO

APPENDIX VIII: A MAP OF AINAMOI SUB-COUNTY

