

**DETERMINATION OF UNIT COST AMONG SECONDARY SCHOOLS IN
KENYA: THE CASE OF NANDI NORTH DISTRICT**

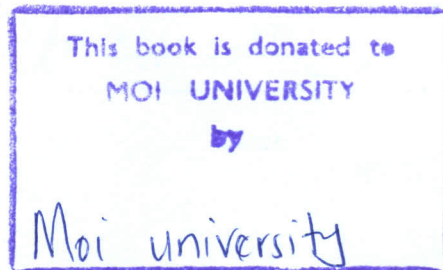
**BY
SOLOMON KIPYEGO NGETICH**



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**DEPARTMENT OF EDUCATIONAL MANAGEMENT AND POLICY STUDIES
SCHOOL OF EDUCATION
MOI UNIVERSITY
P.O.BOX 3900,
ELDORET, KENYA**

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ABSTRACT

The purpose of this study was to determine the unit costs among secondary schools in Nandi North District. Specifically, the study sought to: determine variable costs, establish unit cost, compare unit costs and determine optimum size of secondary schools in the District. The study employed a descriptive survey design. It was guided by a Cost Model derived from the General Education Production Function. The cost function consisted of the dependent variable expressed as a function of the independent variables. Data was collected from all the Head teachers of public and private secondary schools in the District. The research instruments used in collecting data were structured questionnaires. Validity of the research tools was determined by having experienced supervisors in the School of Education Moi University who checked the questionnaires and reliability of the research instruments was established by a pilot study in the neighbouring Nandi South District. Analysis of data was done using both descriptive statistical techniques including percentages, means and frequency tables and multiple regression analysis as the inferential statistics. It was found that a total of Ksh. 363,383,481 were spend for the entire district, this is an average of Ksh. 8,863,012 per school or Ksh.41,768 per student. The school with the highest amount spend and the least amount spend was Ksh.31,332,348 and Ksh.1,586,940 respectively. Teacher salaries constituted 41%(Ksh.150,671,712) of total cost. Boarding took 24 % (Ksh.85,952,230) of the total expenditure followed by tuition and other related items at Ksh. 48,569,521 which represented 13 percent. Other areas were Non-teaching staff salary 6 %(20,909,424). Cost of Other items 5 %(19,797,253) and EWC was 4 % (14,205,731). Activity and RMI at 2% (5,721,975) each and the least were medical at 1% (2,206,536) of the total cost. The findings indicate that the average unit cost per district school was Ksh 34,849. Whereas the average unit cost for the provincial schools was Ksh. 50,966. Private schools had an average of Ksh.35, 778 while public schools had an average of Ksh.43, 219. Mixed day schools incurred the least unit cost of Ksh. 33,309 and the highest unit cost was from boys boarding at Ksh.51, 072. It was found that the optimal school size for secondary schools in Nandi district in the year 2009 was 770. The average school size was 212. The study also found out that there was significant relationship between school size and unit cost of secondary schools in the district. The study recommended that Schools should increase their enrolment to the optimal level of 770 in order to enjoy the economies of scale. Focus be put on the reduction of Unit cost. Prioritize expenditure areas such as acquisition of teaching and learning resources to ensure cost reduction. It is hoped that the findings from this study will be utilized by the Ministry of Education and other stakeholders in order to come up with strategies for reducing unit costs in schools and look for alternative sources of financing education in secondary schools in Nandi district.