

**“FACTORS INFLUENCING THE MANAGEMENT OF FREE
PRIMARY EDUCATION FUNDS IN NAKURU
MUNICIPALITY, KENYA”**

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REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF ARTS
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NAIROBI**

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DECLARATION

This Research Project is my original work and has not been presented for a degree or any other award in any University.

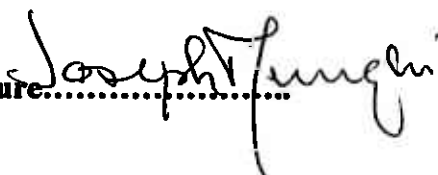
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This research project has been submitted for examination with my approval as the University Supervisor.

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Date: 17/8/2010

DEDICATION

This research project is dedicated to my late father Michael Okumu who made sure that I went to school and encouraged my learning by paying my school fee. It is also dedicated to my late mother Anne Adhiambo Okumu who encouraged me whenever I was down and lost hope in life. The Project is also dedicated to my two daughters, Maureen and Faith who encouraged me throughout my study. Their father Charles Mwanda who relieved me off the burden of paying school fee thus made my study easier in terms of finance.

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ABBREVIATIONS AND ACRONYMS

CBD	:	Central Business District
CIDA	:	Canadian International Development Agency
DFID	:	Department for International Development
EFA	:	Education For All
FPE	:	Free Primary Education
GDP	:	Gross Domestic Product
GPA	:	General Purpose Account
GTZ	:	German Technical Zone
KESSP	:	Kenya Education Sector Support Programme
MDGs	:	Millennium Development Goals
MoE	:	Ministry of Education
MOEST	:	Ministry of Education, Science and Technology
NARC	:	National Rainbow Coalition
RMI	:	Repair, Maintenance and Improvement
SIDA	:	Swedish International Development cooperation Agency
SIMBA	:	School Instructional Material Bank Account
SIMSC	:	School Instructional Material Selection Committee
SMC	:	School Management Committee
SPRED	:	Strengthening Primary Education
SPSS	:	Statistical Package for Social Sciences
SWAP	:	Sector Wide Approach
SWOT	:	Strengths Weaknesses Opportunities and Threats
UNDP	:	United Nations Development Partners
UNESCO	:	United Nations Educational Scientific and Cultural Organization
UPE	:	Universal Primary Education
WFP	:	World Food Programme

ABSTRACT

Kenya is on track to achieving some of the Millennium Development Goals by 2015. The Government of Kenya has provided Free Primary Education and increased resource allocation to enhance its delivery. The trend in school enrollment has been impressive since 2003, but with various funds management concerns. This study was set to examine the factors influencing the management of Free Primary Education funds in Nakuru Municipality, Kenya. The study was carried out in schools within Nakuru Municipality amongst the Head Teachers, School Management Committee and School Instructional Material Selection Committee. The study objectives were: to establish whether the institutional innovations at school levels influence management of Free Primary Education funds; to examine the Knowledge levels of financial managers in the management of Free Primary Education funds; to establish challenges facing Fund Managers in managing Free Primary Education funds; to assess measures that have been put in place to overcome the factors affecting management of Free Primary Education funds in Nakuru Municipality. The study adopted the descriptive survey design. Probability sampling technique was used in the selection of the study sample. Two sets of questionnaires were used for the collection of data from the Head Teachers and Chairmen, while an interview schedule was used for the collection of data from the Deputy Head Teachers. Data collected was analyzed using the Statistical Package for Social Sciences and Microsoft Excel software. The results of the data analysis were presented in the form of tables. The study findings revealed that institutional innovations such as improvement to buildings (type of classrooms) have an influence on the management of Free Primary Education funds. The fund managers' level of financial management was insufficient for proper management of the funds. The challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality were also examined and this included: Inadequate funds for some vote heads; Delay in funds disbursement; Lack of expertise in Accounts; Unrealistic vote heads especially the vote head on electricity and water; Low enrollment hence low Free Primary Education funding; and Loss of books by pupils and uncooperative parents to replace the books. The measures put in place to overcome the challenges affecting effective management of Free Primary Education funds included: organizing workshops for School Management Committee training; Appealing for more funding from well wishers; sensitization campaigns to parents in support / supplementing the Free Primary Education funds; involvement in income generating activities to supplement Free Primary Education, Flexible budgeting and executing punitive measures for lost books. Following the findings the study recommended the following: The Ministry of Education was to consider reviewing its policies related to the disbursement of funds to primary schools for the purpose of ensuring consistent and timely disbursement of Free Primary Education funds; and to consider organizing regular trainings for Fund Managers to ensure standardization and quality of financial reporting for accountability and transparency. Schools were to be facilitated and empowered to employ qualified accounting personnel for better accounting for the Free Primary Education funds disbursed to the schools (Accountants / Accounts clerks). The Ministry of Education should consider strengthening its monitoring and evaluation system by introducing additional internal checks and controls. School heads should also ensure that, their School Management Committees are actively involved in defining the schools annual spending priorities and procurement plans. Recommended further research studies included: assessment of the role played by parents in the implementation of Free Primary Education programme in public schools; examination of the financial management system used in the management of Free Primary Education in public primary schools; and examination of the vote heads on the effectiveness of Free Primary Education programmes in primary schools.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Education is a private and social good, an investment in which many stakeholders partake. The proportion of public and private funds allocated to education, as well as funding mechanisms, varies considerably from country to country. At the World Education Forum in Dakar, Senegal, in April 2000, 180 nations agreed to the six Education for All (EFA) goals, including what was to become two of the Millennium Development Goals: Universal Primary Education (UPE) by 2015 and gender parity in primary and secondary school by 2005 (Bah-Layla. 2003). The most prominent EFA goal universal primary education by 2015 is one of the world's most ambitious yet most pathetic goals. Nonetheless, eight years after the world signed onto ensuring quality basic education for all at the World Economic Forum in Dakar, the issue of education in developing countries remains very much a silent crisis. Education has not seen a major expansion of external financing or public attention from G8 and other donor nation heads of state in the way that progress has fortunately been made in addressing HIV/AIDS, debt relief, and malaria. Free Primary Education is a step towards achieving universal basic education and as part of scaling up poverty reduction. Key issues in introducing Free Primary Education included maintaining the social contract with the electorate, establishing quality education, and developing the capacity to implement and sustain FPE. Effective management of these funds is critical to the success of the Free Primary Education programmes (UNESCO, 2002).

Since the international commitments to Education for All (EFA), and the Millennium Development Goals (MDGs) in 2000, there have been significant efforts, primarily through reducing direct costs to parents, to increase primary school enrolment. Developing countries and their partners increased efforts to improve the efficient and proper use of public funds – reducing waste, mismanagement and leakage.

A survey of education in England reveals that education in England is overseen by the department of education, innovation and skills. At local level the local authorities take responsibility for implementing policy for public education and state schools. Full time education is compulsory for all children aged between 15 and 16 years (inclusive). The

leaving age for compulsory education was raised to 18 years by the education and skills Act, 2008. State run schools and colleges are financed through national taxation, and take pupils free of charge between ages of 3 and 18. Almost all state funded schools in England are maintained schools which receive their funding from local authorities. These are community schools, voluntary schools, voluntary aided schools, foundation schools; 93% are government funded; only 7% attend privately run independent schools some of which are called public schools.

Scotland has a long history of Universal provision of education and the Scottish education system is distinctly different from other parts of the United Kingdom. Majority of the schools are non denominational but as a result of the Education Act of 1918 separate Roman Catholic State schools were also established. Catholic schools are fully funded by the Scottish Government and administered by the Education and Lifelong Learning Directorate. Children start primary school aged Four and half years and five years or when the child's birth day falls. Children remain in school for seven years.

Countries that have taken a bold step to eliminate school fees and other indirect educational costs saw an initial surge in enrollments the following year (Lesotho, Mozambique, Ghana, Kenya, Ethiopia, Tanzania, Cameroon, Malawi and Uganda). However, lack of proper planning and capacity building made abolishing school fees problematic (Kenya and Malawi). In Kenya, Lesotho, Malawi, and Uganda, free primary education (FPE) was viewed as a step toward achieving universal basic education and as part of scaling up poverty reduction. The removal of school fees contributed to poverty reduction by ensuring universal access to basic education, which in turn could help break the cycle of poverty. It is a significant intervention in Sub-Saharan Africa, which is lagging behind in achieving universal primary education (UPE). Universal basic education is largely understood as universal primary schooling. Only after the Jomtien conference, on Education for All (EFA) in 1990, was it understood that by making primary education free would it include children from poor families and thereby perhaps become universal. Schooling costs for families are a major constraint to achieving UPE (Bah-Layla. 2003).

Kenya had a longstanding policy that education should be provided by the government, and the 2001 Students Act stated that the government should provide free and compulsory education. Only in 2002, however, when the newly elected government adopted

free primary education as its core tenet was such a program possible. It became reality in 2003. Following the election in Kenya at the end of 2002, in early 2003 the new Government announced its intention to introduce free primary education. This entailed the abolition of tuition fees, a part of the increasing costs of education to parents which had accounted largely for the decreasing primary and secondary school enrolments in the 1990s. Following this announcement, enrolments surged from about six million to about 7.2 million pupils, resulting in a gross enrolment rate of 104% compared with 87.6% in 2002 (Abagi, O and Odipo G., 1997).

The mission of the Ministry of Education (MoE) is to provide, promote and coordinate lifelong education, training and research for sustainable development. The ministry since 2004, in collaboration with development partners other stakeholders has been undertaking a Sector Wide Approach to Planning (SWAP) as opposed to traditional project approach. This approach is aimed at securing funding for the Kenya Education Sector Support Programme (KESSP) which provides a basis upon which the government development partners and other stakeholders will jointly support the sector for the period 2005-2010. Free Primary Education in Kenya has been supported by the government and donor agencies Department for International Development (DFID), World Bank, and United Nations Development Partners (UNDP) among others. The Kenya government on the other hand gives the bulk of funding to this programme (FPE). The Ministry of Education has been committed to ensuring that resources allocated to the provision of education are used for the intended purposes efficiently, effectively and economically. The study therefore is to find out some of the challenges experienced in the management of free primary education funds right from the National level to school level (Ministry of Education Strategic Plan 2006-2011).

The FPE programme faces several challenges as clearly articulated by all the respondents. Increased student population; shortage of teachers; lack of clear guidelines on admission; hence, the entry of overage children; lack of consultation with key stakeholders such as teachers and parents; delay in disbursement of funds; and expanded roles for headteachers were cited as some of the major challenges facing FPE. Quality issues are a great concern in Kenya. Some indications suggest that overcrowding in classrooms is pushing out pupils with special needs, an issue that needs further research. Survival rates (the percentage of a cohort of children enrolled in the first grade expected to reach each

successive grade) have also been affected (Kenya, Ministry of Education, Science, and Technology, 2001)

School financial management is the process of planning and utilization of school funds in an efficient and effective manner and in accordance with regulations and procedures. FPE funds entails the accountability in the management of schools where accounting records have to be prepared, financial statements which show how the schools resources have been obtained and used. Auditing gives assurance on how FPE funds provided are used for intended purposes and in compliance with the guidelines. There is also execution and recording of transactions which involves the completion and accuracy of records in the school accounting records. The accountability in the management of funds requires a lot of skills obtained, skills like accounting which most head teachers do not have. The stages of management of school funds, is right from the national level from the Ministry of education then wired direct to the schools accounts. This has brought an out cry of mismanagement of funds at the national level in the country. Some of the key factors for success in the management of FPE include institutional innovation at all levels; and developing capacity (such as enhancing the financial knowledge of fund managers (Abagi, and Odipo 1997) (Bah-Layla. 2003).

In Kenya, the school audit process, which was already under way, provided a foundation for the educational management information system unit, and the Strengthening Primary Education (SPRED) Project, an in-service training program for teachers, provided a model that could be applied throughout the country. It is worth noting that management of free primary education funds cascades down to the school level. A worrying trend about the FPE programme has to do with cases text books are purchased, delivered to school, and then quietly returned to the bookshops. Corrupt head teachers are able to do this in collaboration with some unscrupulous business men. Other cases abound where records in schools indicate that, books have been delivered, when in reality not a single book has been taken to the schools. There are also other instances where the free primary education funds end up in accounts of Institutions they were not meant for. These issues raise eyebrows especially when the program has been in place for the last seven years.

According to the circular sent from the Ministry of Education, a document available in Nakuru Municipal Education Office reveals that Free Primary Education funds disbursed to the public primary schools in Nakuru Municipality, since the year 2003 to 2010 was

326,778,200.95 by May 2010. These are large sums of money which require meticulous management of the funds. It is, therefore, critical that the Fund Managers have sufficient financial management knowledge for effective management of the funds. Managers at the institutional level also need to be innovative. This study seeks to establish the relationship between these factors and effective financial management in schools within Nakuru Municipality.

1.2 Statement of the problem

Free Primary Education is a step towards achieving universal basic education and as part of scaling up poverty reduction. Considering the interest and value attached to free primary education, the Government of Kenya sets aside budgetary allocation to ensure successful implementation of the program. Funds are mobilized locally and internationally. Abagi, and Odipo, (1997) cites institutional innovations at all levels and financial security for primary education as key success factors. Financial management knowledge of the Fund Managers at all levels is critical for the success of the FPE in achieving universal basic education. In Kenya much effort need to be directed towards enhancing the capacity of those involved in financial management of the funds as well as towards strengthening the financial security systems for primary education. Empirical evidence and reports show that there are numerous cases of poor financial management practices characterized by embezzlement of funds, misapplication of funds and poor accounting. For instance in the case of Nakuru Municipality, there were cases of two schools; School A had a problem of book keeping, the school head teacher could not account for the money disbursed in the school as reflected in the bank statements, consequently the head teacher was requested to step down. In School B, the head teacher misappropriated the funds for both Account 1 and 2 and hence, interdicted (Municipal Education Office, Nakuru). This study was prompted by these two cases. Reports of misappropriation like in the two cases have been reported in various parts of the country. This situation discourages the donors from continuous and timely funding and therefore, slows down the realization of the free education funds. Creating emergency measures to deal with implementation at the beginning of the process can be helpful, but such measures are difficult to sustain over time. An examination of the factors influencing the management of Free Primary Education funds in Kenya is critical. This study was focused on Nakuru Municipality, which apparently is the fourth largest Municipality and is located in Rift Valley.

1.3 Purpose of the study

The purpose of the study was to examine the factors influencing the management of Free Primary Education funds in Nakuru Municipality, Kenya

1.4 Objectives of the study

The study was guided by the following research objectives.

1. To establish whether the institutional innovations at school levels influence management of Free Primary Education funds in Nakuru Municipality.
2. To examine the Knowledge levels of financial managers in the management of Free Primary Education funds in Nakuru Municipality.
3. To establish challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality.
4. To assess measures that have been put in place to overcome the factors affecting management of Free Primary Education funds in Nakuru Municipality.

1.5 Research Questions

The study was based on the following Research Questions.

1. Does institutional innovation at school levels influence management of Free Primary Education funds in Nakuru Municipality?
2. What is the knowledge level of Fund managers in financial management of Free Primary Education funds in Nakuru Municipality?
3. What challenges are experienced by Fund Managers in the management of Free Primary Education funds in Nakuru Municipality?
4. To what extent are measures put in place to overcome the factors affecting management of Free Primary Education funds?

1.6 Significance of the study

It is hoped that the study may assist the Ministry to fill in the gaps that exist in the program. The Ministry may be able to formulate policies to safe guard Free Primary Education funds and any grant offered to the basic learning institutions and in the end achieve prudent use of resources. The study views how donor funds are utilized, and this could instill confidence in the donor agencies like DIFD, UNDP, World Bank to continue providing for more funds. The donors provide funding on condition that the assistance they give is in line

with their overall policies. They have to spend their funds according to the agreements made, and the need to be sure that a programme achieves its intended objectives.

1.7 Basic Assumptions of the study

The study assumed that the sample chosen represented the population of entire Nakuru Municipality in terms of management of funds in schools; and that the data collection instruments that were used, were valid, reliable and measured the desired constructs. The study also assumed that the people interviewed gave the correct information required especially the key informants who were the fund managers; that the interview schedule was relevant and appropriate for obtaining the data used for the study.

1.8 Limitations of the study

The study faced limitations such as accessibility to financial documents and this could create apprehensiveness. However, upon clear understanding by the respondents of the purpose for the study and the assurance of confidentiality, access of information was possible.

Inappropriate record keeping which leads to poor filing system could have hindered the study by the respondents fearing to disclose the required information. To overcome this barrier, the researcher assured the respondents of the purpose of the study and the aspect of confidentiality of information provided. Generally the cost of traveling now and then to collect information was also a challenge to the study. However, the researcher had planned properly for the study and had set aside sufficient financial resources.

1.9 Delimitations of the study

The study was carried out in public primary schools within Nakuru Municipality this because funds are disbursed only to public schools. It was done in Nakuru municipality since most schools have same characteristics; the schools are managed by municipal education office. The study therefore focused on the head teachers, School Management Committee (SMC) and School Instructional Material Selection Committee (SIMSC). The Head Teacher and Chairmen of the SMC were interviewed through the questionnaires, while the Deputy Head Teachers were interviewed using the interview schedules; a total of three persons per selected schools were interviewed.

1.10 Definitions of Significant Terms used in the Study

Free Primary Education:

This is a system where basic education is provided to the country citizen free of charge (no school fee is to be paid). The removal of school fees contributed to poverty reduction by ensuring universal access to basic education, which in turn could help break the cycle of poverty.

Fund Managers: These are persons involved in the management of Free Primary Education funds and these are the Head Teachers in schools and school management committees.

Government policy: This is a guiding principle of a governmental response to specific problems of public concern.

Institutional innovations: These are institutional own initiatives that are put in place to enhance the operationalisation of Free Primary Education programmes within the institution.

Knowledge levels of Financial Management: The level of acquaintance by the fund managers on how to manage funds (Funds administration and accounting).

Management of funds: the process of planning and utilization of school funds in an efficient and effective manner, and in accordance with regulations and procedures particularly free primary education funds.

School Financial Management: This is the process of planning and utilization of school funds in an efficient and effective manner and accordance with regulations and procedures.

1.11 Organization of the study

This study contains five chapters and an appendices section. Chapter 1, which is the introduction, gives the background of the study, statement of the problem, research objectives and questions that guided the study, significance of the study, underlying assumptions, limitations of the study and delimitations of the study. The chapter also contains the definition of significant terms used in the study.

Chapter two contains a comprehensive literature review of review of past research studies and publications conducted regarding the factors influencing the management of Free Primary Education funds in Nakuru Municipality, Kenya. The section contains a theoretical framework, a conceptualization of the researcher based on the literature review and a summary and gaps section.

Chapter three gives a description of the methodology used for the study. The research design and sampling techniques used are explained. The method of sample selection and determination is explained. The methods of data collection, analysis and presentation are also discussed. This section is concluded with the operational definition of variables, which attempts to associate the objectives with the methodology and provides a map to the expected results.

Chapter four contains the presentation and interpretation of the findings arising from data analysis using the techniques described in chapter three, the chapter also contains the discussions of the findings. The findings are presented in the form of tables accompanied with an explanation of the findings below each table.

Finally, chapter five contains the summary of the findings, the conclusion and the research recommendations. The chapter has a section for suggested areas for further studies arising from the study findings and is concluded with a section for the study's contribution to the body of knowledge.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter contains a review of past research studies and publications conducted regarding the factors influencing the management of Free Primary Education funds in Nakuru Municipality, Kenya. The section contains a theoretical framework, a conceptualization of the researcher based on the literature review and a summary and gaps section.

2.2 Free Primary Education

This is a system where basic education is provided to the country citizen free of charge (no school fee is to be paid). The removal of school fees contributed to poverty reduction by ensuring universal access to basic education, which in turn could help break the cycle of poverty. It is a significant intervention in Sub-Saharan Africa, which is lagging behind in achieving universal primary education (Abagi, and Odipo. 1997).

The governments and people of developing countries can take responsibility only up to a certain level: beyond that, the sustainability of free universal primary education in the developing world is the responsibility of the international community. Developing countries and the international community must each accept their share of responsibility if all the children of Africa are to have good, equitable, free basic education. Since the introduction of the Free Primary Education in Kenya there has been increased gross enrolment rate of 107%. This has put pressure on the existing physical infrastructure such as classrooms. We also have faced the challenge of inadequate number of teachers. As a result of this some schools will require additional resources to meet these needs. In line with that the government has therefore increased its budget allocation to free primary education.

The percentage of total Government spending on education (both recurrent and development) has ranged between 24 percent and 30 per cent (or about 6.5 percent of the country's GDP) over the last five years. In the 2007/08 Budget, primary Education Development Expenditure increased by 63 percent from Ksh.s. 6.4 billion in the

2006/07 budget to Ksh.s. 10.4 billion. The Government has also put in place mechanisms to ensure that the transition rates are high from primary schools to secondary schools by introducing free day secondary education and paying of tuition fees in all public secondary schools. Increasing school enrolment is not enough. To ensure true, lasting progress in education levels and best use of the scarce resources available, oversight and accountability must be improved

2.2.1 An overview of Free Primary school in Kenya

Since the achievement of independence in 1963, the government and the People of Kenya have been yearning to expand the education system. Education has been seen as panacea among the main concerns to combating ignorance, disease and poverty. Since every Kenyan child has the right of access to basic welfare provisions including education, the government has the obligation to provide its citizens with the opportunity to take part fully in the socio-economic and political development and attain a decent standard of living. Education has been seen as a fundamental factor for human capital development. It is generally acknowledged that schooling offers one an opportunity to break from vicious cycle of poverty.

The effort to offer Free Primary Education started with the first president of Kenya Mzee Jomo Kenyatta. Various commissions were formed towards this, starting with Ominde commission of 1964, the Gachathi report of 1976 which recommended the abolishment of fee in primary schools. President Moi came in 1978 and pushed for free primary education. During 2002 general elections, the National Rainbow Coalition (NARC) used Free Primary Education as one of the tactics for winning election. Following its victory on January 6, 2003 Free Primary Education was launched to fulfill the election pledge. The aim of Free Primary Education was to provide more schools opportunities, especially for the poor communities. Free Primary Education was embraced internationally as it was to reduce poverty, overcome gender in equality and socio-economic growth. Free Primary Education was meant to improve the standard of education in Kenya and the key concerns were access, retention, equity, quality and relevancy.

Total education spending before the introduction of FPE amounted to 29% of Kenya's recurrent expenditure, of which about 55% was on primary education. However, as 93% of

this has gone on salaries, there has been little left for capital or development expenditure. Over the past three years, a DFID-supported project which matched government funding of textbooks led to average annual increases in non-salary expenditure of 25%. Overall, the real challenge will be the reallocation of resources within the education sector as Kenya already spends 6% GDP and 36% of recurrent expenditure on education.

DFID, SIDA, the World Bank, CIDA and UNICEF are contributing to bridging the immediate funding shortfalls, especially those related to teaching and learning materials as a result of previous under-investment and FPE. The World Bank has recently approved a grant of \$50 million and DFID has provided £13 million this year. GTZ, JICA and the WFP are also contributing to the sector. In addition to instructional materials, there is a focus on national financial and general management training, to enable new responsibilities to be undertaken effectively at national, district and school levels. Other investments in capacity building are also planned, including for an educational management information system and for school-based teacher development. Complementing such individual components, however, is assistance being given toward the development of an overall strategic framework and plan for the sector. This is feeding into the PRSP and Economic Recovery Plans and encompasses EFA planning, and the new curriculum which is being rolled out over the next four years. A comprehensive teacher development plan will need to be a part of this framework as well.

An assessment of the free primary education in Kenya by UNESCO, (2005) revealed that the public schools were beginning to experience a decline in enrolment due to dropouts and to a lesser the bulk of the pupils are in classes that are not appropriate to their age. Children returning to school after having dropped out constituted 7.5 per cent of the enrolment in schools. This has a lot of Implications on teaching and learning. The teachers were not able to give individual attention to the learners, especially to the slow ones, and this made it difficult for schools to offer quality education. Teachers were also unable to take full control of classes. Indiscipline was, therefore, rampant in schools. Pupils sitting on stones due to lack of desks Provision of instructional materials including textbooks was identified as one of the major achievements of the FPE programme, particularly through reducing the cost burden of education on parents and thus leading to an influx of pupils to school. There was concern that the; procurement procedures were cumbersome and time-consuming. Most schools do not have adequate classrooms to accommodate the large numbers of pupils

enrolled under FPE. The classrooms were generally congested and there is hardly space for movement. The classrooms are in poor condition. Lighting is poor as many classrooms depend only on sunlight. It was noted, though, that with FPE, many schools had started doing repairs on classrooms using the money given for maintenance. Chalkboards are being given fresh paint coats and windows and doors fixed especially in classes where books and other teaching and learning materials are being kept (UNESCO, 2000; 2002).

Efficiency and efficacy factors include the postulations that: Allocations from the various funds are inadequate; Tension between fund managers and technocrats over money management and remuneration has led to delays in the release of funds; Inappropriate professional and/or technical support, especially from Government ministries, has prevented funds from reaching their full potential; and that there is lack of transparency in procurement systems has affected the cost-effectiveness of projects. Increased dependency on the funds compromises quality due by creating excessive demand for services i.e. free primary education created demand for more teachers, classrooms and other school equipments which have been difficult to meet (Oyuke, 2007).

2.3 Management of Free Primary Education funds

Management is broadly defined as the process of getting things done through others, such as employees in the organization. It requires people to perform the functions of staffing besides utilizing resources like money (capital), equipment and machinery among others, with the aim of achieving some goals / objectives for the growth of organization (Sagimo, 2002). Management in all business and human organization activity is the act of getting people together to accomplish desired goals and objectives. Management comprises planning, organizing, staffing, leading or directing and controlling an organization.

Management looks at organization irrespective of their structure or objectives, be they profit or non-profit oriented like school. It sees all organizations being fed with inputs (resources / raw materials) and they give outputs. This study in particular is non-profit oriented. It is concerned with efficient and effective processing of resources (inputs) and the utilization of the outputs in the achievement of each organization. Management requires efficiency which means being procedural, orderly, systematic or methodical while effectiveness means being results oriented to achieve targets, standards, objectives and satisfaction as a measure of productivity. This study deals with the management of Free

Primary Education funds which requires efficiency in terms of being procedural from the National level to the recipients at the schools. It also requires effectiveness which means being result oriented to achieve the target of Free Primary Education, that every child is accessible to free education at primary level. The government and the funding agencies should be satisfied in their use of funds. (Wango, 2009) describes management as a progression so as to accomplish organizational goals and management is made up of several elements, these include; Planning, Organizing, Staffing, Directing, Coordinating, Reporting and Budgeting. It involves effective delegation of duties and responsibilities according to abilities. This management is often defined as working effectively with people.

Managers are the people to whom the task of management is assigned. They achieve the desired goals through four key functions which are Planning, Organizing, Directing and Controlling. Management involves designing and carrying out plans and getting things done. The skillful management of school funds is obviously fundamental to the success of a school. More attention and support have been given historical, however, to financial management. The management of school funds is primarily by the *Education and Training Reform Act 2006* and guidelines issued by the Department of Education and Early Childhood Development.

2.3.1 Financial management in school

Financial management is the process of planning and utilization of school funds in an efficient and effective manner, and in accordance with regulations and procedures (Wango, 2009). Financial management is an indispensable part of school management. The primary goal of financial managers is to maximize the wealth of the shareholders. Financial managers attempt to achieve wealth maximization through daily activities such as credit and inventory management and through longer-term decisions related to raising funds. Prudent financial management is usually a pre-condition of a "good" school, since the way school funds are managed largely determines the overall school performance. The school management and the head teacher are responsible for planning, controlling and monitoring school finances. The head teacher is the Accounting Officer in the school. The accounting officer has the Authority to Incur Expenditure (A.I.E) and is the A.I.E holder and therefore the overall financial manager / accounting officer in the school (Wango, 2009).

Financial management is concerned with acquisition, financing and management of assets, with some goals in mind. Thus the decision function of financial management can be

broken into three major areas: The investment, financing and asset management decisions (Horne and Wachowicz, 2001). Once assets have been acquired and appropriate financing provided, these assets must still be managed efficiently. The financial manager is charged with varying degrees of operating responsibility over existing assets.

Pandey, (2002), describes financial management as that managerial activity which is concerned with the planning and controlling of the firm's financial resources. Financial manager is a person who is responsible in a significant way to carry out the finance functions. He or she needs to have a broader and far-sighted out look, and must ensure that the funds of the enterprise are utilized in the most efficient manner. Financial management is considered a vital and an integral part of overall management.

Head teacher must understand the importance of managing and maintaining school resources. The success of the Head teacher depends on his or her ability to manage resources well. However he or she is faced with many challenges which affect his or her ability to manage resources effectively. Head teacher is charged with the responsibility of managing resources whether tangible or intangible, consumable or non consumable. These resources include financial, physical, time, school projects and programmes, human resources (Wango, 2009)

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Proper financial management is important to the general development of the school. Poor governance and lack of accountability in the use of school cash lowers the standards in many African nations (as quoted in one of the local dailies in 2009). Stephan TI while releasing his report on management said "Poor accounting and reported diversion of money shows funding must come with better management and accountability" The responsibility of collecting and accounting for school funds in the school lies with the school committee. However the SMC through the head teacher must seek the approval of the Municipal Education Committee in order to collect and use the funds.

Management of funds disbursed to schools is the responsibility of the school. Over time, various publications have been produced to ensure that procedures used are transparent and to strengthen financial management procedures. School Management Committee (SMC) provides management at school level. However the Head teacher being a member of the same and secretary to SMC manages the school on a day to day basis. The SMC should be conversant with the processes of financial management and the legal implications (Ministry

of Education School management guide book page 38-39). The major distinction therefore between management and the manager is that of accountability. The manager is accountable to the management so that plans designed and the way they are carried out is assessed and evaluated objectively (Wango, 2009)

The manager though involved in the planning and designing ensures effective implementation on the ground and then made to account for the same, which ensures transparency. The School Management Committee consists of the following members; 8 persons elected by parents whose children are at the school. 3 persons nominated by the school sponsor; 2 persons appointed by the chair and secretary to the SMC. Their functions are: Promotion of quality education in school; Protect all the movable / non-movable properties of the school; Discipline of pupils, teaching and non-teaching staff; and Development of all infrastructures in school (Wango, 2009).

The basis of financial management in school is planning, regulations and procedures. Planning involves setting up the logistics such as school budget. Regulations (instructions) on finances are laid out in handbooks on financial management while procurement procedures are outlined in procurement manuals.

2.4 Institutional innovations in the management of free primary education

Institutional innovation supported by strong and flexible institutions is critical, but it has been very hard to achieve because of conservatism, entrenched attitudes, and the time it takes for innovation to take hold. Provision of free primary education is a process that must proceed quickly. If existing institutions and structures cannot change rapidly enough, the onus is on the ministry to make ad hoc arrangements for dealing with what amounts to an emergency situation in the short term Provision of free primary education is a process that must proceed quickly. Some processes of institutional development were accelerated to meet the challenge of providing free primary education. In Uganda, for example, an Instructional Materials Unit and a Classroom Construction Unit were established to meet demand, and the Inspectorate was transformed into a standards agency (Abagi, and Odipo, 1997) (Bah-Layla. 2003).

In Kenya, special monitoring teams at all levels track progress and problems from headquarters to the local level in order to identify new challenges. Over time there is a need to review such interim structures to determine what is needed over the longer term.

2.5 Knowledge levels of financial managers in the management of Free Primary Education funds

This section presents past studies related to Knowledge levels of financial managers in the management of Free Primary Education funds. The section begins with discussing the value attached to financial security and then the value attached to the financial management of free primary education.

2.5.1 The value of Knowledge levels of financial managers in the management of Free Primary Education funds in school

The head teacher must be very vigilant on school accounts. Given that primary schools receive a lot of money from the government, there is certainly greater pressure for openness and transparency. The head teacher needs to acquaint himself with the principles governing sound management of funds such as proper recording of all finances, the use of finances for the benefit of the pupils, approval of finances by the school committee / management, receipting of funds received, banking of monies received and making of payment voucher on any expenditure done. School funds should be monitored closely by the concerns and stakeholders including parents to demand even more efficient use of school finances. To enable the head teacher do work with better precision, it would be very crucial if he would continuously boost his own professional development by acquiring relevant skills and abilities required to effectively manage resources in the school. The professional aspect in him must be evident in his work, as he plans, controls and monitors the school finances especially all key aspects of financial management such as budgeting, accounting and monitoring effective implementation of school budget. Management skills in school entails: Accounting skills which enable the headteacher to keep accurate and transparent records of the school's finances, and Auditing skills which enable the headteacher to control the expenditure of school funds and prepare for the annual audit (MoE, 2000).

All funds raised and received by the school shall be completely and accurately recorded in the school's accounting records. The school's funds shall be spent only for

budgeted and authorized purposes. The Head teacher should ensure that the following financial statements are prepared in good time: A cash book for each of the two accounts, School Instructional Materials Bank Account (SIMBA); and General Purpose Account (GPA) and Income and expenditure statement

Schools shall maintain records containing details of school property and unpaid invoices (MOEST, 2005). Financial resources are scarce and limited. Misuse and inappropriate distribution can only make things worse. Use of financial resources is satisfactory when the; allocation takes into consideration all activities planned, Capacity to use the funds is available, Resources are provided in good time and Expenditure is properly accounted for (MoE, 1999). The research therefore is to find out the level of training for financial accounting of FPE funds; examine the capacity of school headteachers to manage schools funds; examine the flow of Free Primary Education funds from the national level whether disbursement is done in good time; establish how well the funds are utilized and accounted for.

2.5.2 Basic Financial and Accounting Documents in the School

The major basic accounting and financial documents that a school is expected to possess and their functions include: A Cashbook, which is a document in which all funds received and spent are recorded on daily basis. It shows balances (money available) both in cash (cash at hand) and as bank balances (cash at bank) a cashbook should be balanced on a monthly basis. Another document is the cheque book, which contains several cheque leaves to be used while making payment by cheque. Details of each cheque leaf should be duplicated to the cheque counterfoil for posting in cashbook and for future reference. The system should also include payment vouchers: A payment voucher is a document used to make payments. All official payments are done through the use of payment vouchers. All payments vouchers must be authorized by the head teacher. Another basic accounting and financial document is the Vote Book. This contains several vote heads where all payment vouchers are committed before payment is done.

Donors provide funding on condition that the assistance they give is in line with their overall policies. They have to spend their funds according to the agreements made, and the need to be sure that a programme achieves its intended goals. This is because all donors are

accountable to their funds and try as much as possible to influence programmes, methodology in accordance to their values and principles. It appears there is an outcry in the Ministry of education that has made the Permanent Secretary to pave way and the minister being asked to resign in response to the current snowballing corruption that has dogged the ministry (Article in journals in website Wednesday December 16, 2009).

The failure of things not put in order has created a perfect conduit for the never ending pilferage in the ministry. The sufferer in this case is the pupil whose future is unashamedly being stolen by the callous technocrats. The study therefore is to find out some of the measures that can be put into consideration to avoid this and to ensure the accountability for the resources allocated to the schools. At the school level, most schools might not have an approved infrastructure development plan, which is one of the basic requirements to qualify for a grant.

2.6 Challenges facing Fund Managers in managing Free Primary Education funds

2.6.1 Administrative challenges

Common themes that cut across administrative issues of the UPE policy are mainly rooted in its top-down policy implementation and unpreparedness of the system for the changes. Since the inception of the UPE policy, no clear policy on roles and responsibilities has been shared by stakeholders. Ad hoc training opportunities given to head teachers on accounting and school management under UPE were not enough for head teachers and SMCs to obtain confidence in daily school management. The UPE policy also creates some policy conflicts that make administration fairly difficult. For instance, the automatic promotion policy which is adopted under the UPE policy at least in Kenya, Ghana and Uganda and an increase in enrollment which brought overcrowded classrooms throw teachers into an extremely difficult situation. Fee abolition and inadequate amount of the UPE capitation grant are also contradictory and give head teachers' headaches and sometimes push themselves in debt. In fact, our study revealed that the amount of the capitation grant is much lower than what schools used to collect from parents. As a consequence of these conflicts, schools are compelled to hold larger classes with more limited resources. Some unique themes are found in all countries (Ogawa K., et al, 2009).

In Uganda, it has been witnessed that local politicians interfere in schools when schools ask parents for some contribution. This furthered confusion on roles and responsibilities of parents and communities under the UPE policy. In Ghana, functions of SMCs are found to be weak, while district officials hold relatively strong self-confidence in their tasks under the UPE policy. In Kenya, the low participation of parents and SMCs seems to create mutual mistrust and poor relationships in schools, especially between teachers and the community. Finally, in Uganda, Ghana, and Malawi, the decentralization policy devolved much power over educational planning and budgeting to district councils (Ogawa K., et al, 2009).

2.6.2 Financial challenges

Under the UPE policy, the capitation grant has been disbursed from the central government to schools directly in Kenya, and via districts in Uganda and Ghana. Nevertheless, our interviews revealed that the amount of the capitation grant is not guided by a baseline survey⁶ but more affected by whatever is available within the national account and that the aggregated amount at the school level is lower than how much schools used to collect from parents and communities prior to the implementation of UPE policy. In addition to the insufficient amount of the capitation grant, delay of funds is commonly experienced at school level in all the countries. The delay can be for a range of a month to sometimes a whole term and the amount can be fluctuated. This apparently affects daily school activities and planning at the school level. Mismanagement of school funds at school level is also reported as a challenge. The overall insufficient budget allocated towards primary education at the district level seems to most negatively affect the monitoring of schools. Thus, regular monitoring of quality of education and the quality assurance system are yet to be put in place in many schools (Nishimura, M. and Ogawa, K. 2008).

2.7 Theoretical Frameworks for Management

The study was based on two theories namely the human capital theory and the systems theory. The human capital theory was formulated by Adam Smith. Slavin (1996) defines human capital as “the acquired skills of an individual education, training, and work habits.” Human capital theory is the most influential economic theory of western education, setting the framework of government policies since the early 1960’s. It is seen increasingly as a key determinant of economic performance. The system theory was developed by biologist Ludwig Von Bertalanffy. Little John (1983) defines a system as a set of objects or entities that interrelate with one another to form a whole. Systems theory is basically concerned with problems of relationships, of structures, and of interdependence, rather than with the constant attributes of object. The systems theory views an organization as a social system consisting of individuals who cooperate within a formal framework, drawing resources, people, finance from their environment and putting back into that environment the products they produce or the services they offer. This theory is based on the view that managers should focus on the role played by each part of an organization; rather than dealing separately with the parts (Hannagan, 2002).

Human capital theory influence government’s commitment to invest in education through establishment of learning institutions at all levels and financing of education. After the attainment of independence in 1963; the Kenya government lacked the personnel needed to replace the Europeans in the civil service and other sectors of the government. The government therefore undertook to provide education as a way of creating a pool of human resource to promote economic growth. The setting up of education commissions and prioritizing education needs in the subsequent development plans; proves the government’s effort to invest in her people. The declaration of Free Primary Education (FPE) in 2003 is a milestone in Kenya government’s effort to invest in human capital.

The systems theory maintains that an organization (school) does not exist in a vacuum. It does not only depend on its environment but it is also part of a larger system such as the society or the economic system to which it belongs. The systems approach is concerned with both interpersonal and group behavioral aspects leading to a system of cooperation (Koontz, 2001). Plomp and Pelgrum (1993) noted that an educational system is a complex system comprising of subsystems at different levels; these are macro (state), meso (school)

and micro (classroom and the student) levels. At each of these levels, educational decisions are influenced by different actors, for example, at the school level the school committee, the head teacher, teachers, and parents make certain decisions and give opinions on the management of the school. The system theory emphasizes unity and integrity of the organization and focuses on the interaction between its component parts and the interactions with the environment. It suggests that organizations must be studied as a whole taking into consideration the interrelationships among its parts and its relationship with the external environment. Schools are open systems hence they respond to the external influences as they attempt to achieve its objectives. The implementation of the free primary education is an example of a change from the outer environment

2.8 Conceptual Framework

Intervening variables

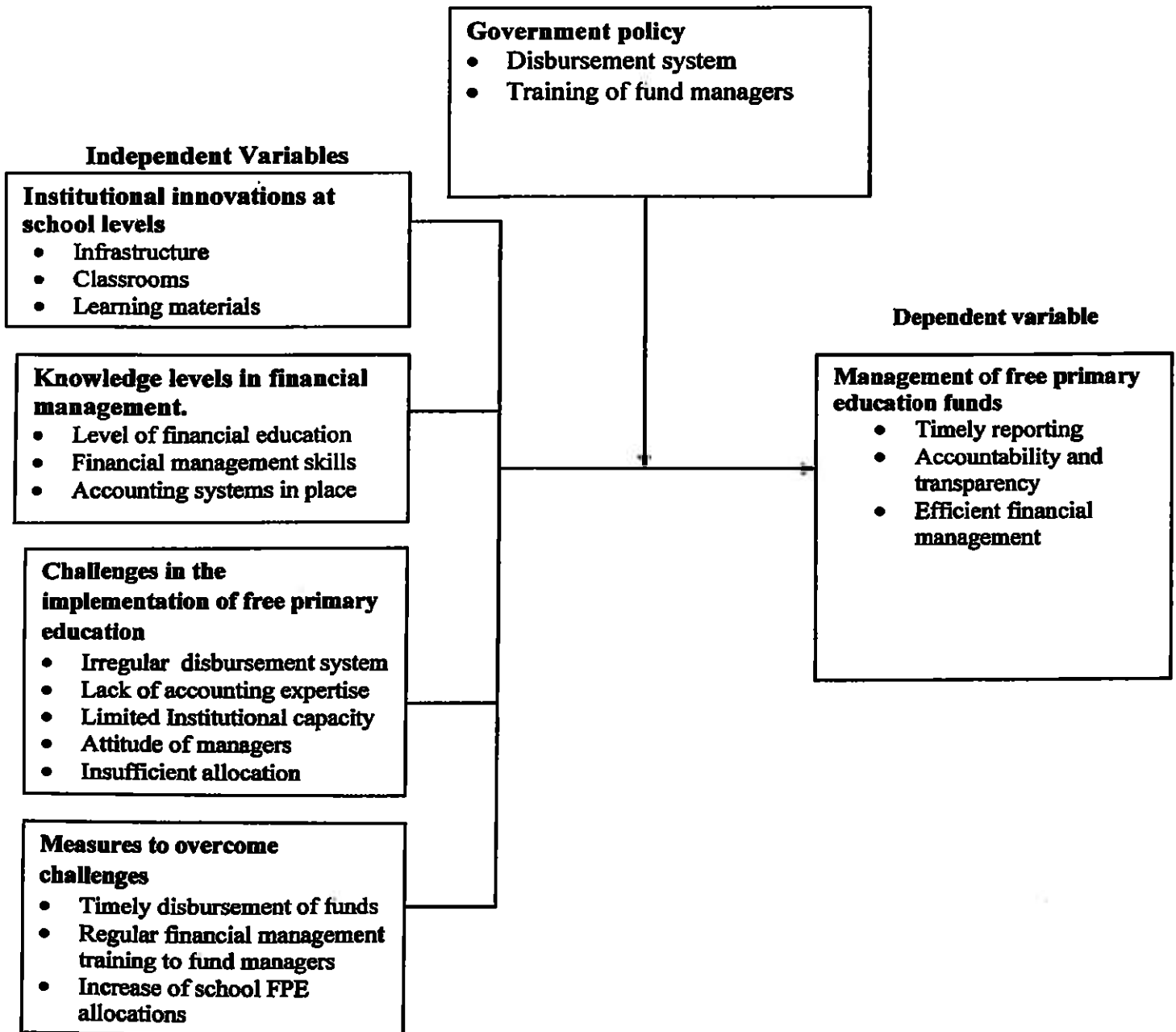


Figure 2. 1: Factors influencing management of FPE funds

The study conceptualizes that, institutional innovations at school levels and knowledge levels in financial management are key factors influencing the management of FPE funds. Management of funds is measured through timely attainment of goals, quality education, correct application of funds and accountability and transparency in the system.

However, this process is subject to the status of various intervening variables. These variables include disbursement system, level of training of fund managers, institutional capacity, attitude of managers and Government of Kenya policy. The study upholds that if all the parameters are enhanced to the required capacity then the stated factors above have a significance influence on the management of FPE funds. This is shown in the figure 2.1 above:

2.9 Knowledge gaps

From the above literature, it is clear that various studies have carried out on FPE, however very little research has carried out on the relationship between institutional innovations and management of FPE funds; and the relationship between the fund managers' level of financial knowledge and management of FPE funds. This study was set to contribute towards sealing this gap of knowledge.

2.10 Summary of Literature

From the above literature, it is clear that existing institutions and structures have to change rapidly enough to be able to support the FPE programme. The role of fund managers in the management of FPE funds is critical for successful implementation of the programmes. The success of the Head teacher depends on his or her ability to manage resources well. This ability is however, dependent of his / her level of financial knowledge. The literature above discusses the importance attached to the efficient management of free primary education funds. Free primary education has registered success in countries of the world owing to sound funds management systems put in place. Institutional innovations at school level and the financial management level of fund managers are discussed as come of the major success factors in the successful management of free primary education funds. The major basic accounting and financial documents that a school should use such as the Cashbook, cheque book and the payment voucher are discussed. The chapter is concluded by a Conceptual framework illustrated in Figure 2.1.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter contains a description of the research methodology that will be used in the study. It contains the research design, target population, location of the study, sampling procedures, research instruments, methods of data collection, data analysis and presentation, validity and reliability.

3.2 Research Design

The study adopted the descriptive survey design. Kombo and Tromp, (2006) state that the major purpose of descriptive research is description of state of affairs as it exists. It is a method of collecting information by interviewing or administering a questionnaire to a sample of individuals (Orodho, 2003). When using this design the researcher ensured that: construct questions that will solicit the desired information; identify the individuals that were surveyed; identify the means by which the survey was conducted; and summarise the data in a way that provides the designed descriptive information. The design was chosen because it was an efficient method of collecting descriptive data regarding characteristic of a sample of a population, current practices, conditions or needs. The design was also used because it allowed the researcher to gather information regarding the respondent's opinion, perceptions, attitudes and views in a highly economical way.

3.3 Target Population

The target population is defined by Best and Kahn, (1992) as a small portion of the population selected for observation and analysis. The target population of the study was public primary schools within Nakuru municipality. The municipality is comprised of 5 zones and a total of 58 public schools. The study targeted different public schools spread in different environments within the municipality. The respondents included schools in Central business unit, peri urban and slums. Categories of management of FPE funds include; Head teachers, School management committee, School Instructional Material Selection Committee. The focus of this study was on the Head Teachers and Chairmen of the School management

committee and Deputy Head Teachers. The breakdown of the population is shown in the table below.

Table 3. 1: Target Population

<i>School Management Committee</i>	<i>Number per school</i>	<i>Total number in 58 schools</i>
Chairman SMC	1	58
Head Teachers	1	58
Deputy Head Teachers	1	58
Management committee members.	3	174

3 persons multiply by total number of schools 58 = 174. Therefore, the target population=174.

3.4 Sampling size and sample selection

This research used probability sampling. The goal of probability sampling is to enable the researcher to select a reasonable number of respondents that represents the target population. Probability sampling provides a researcher with accurate information about groups that are too large to study in their entity (Mugenda and Mugenda 2003). The method to be used in accomplishing probability sampling is cluster random sampling. The advantage of this method is that it needs a detailed sampling frame for selected clusters only rather than for the entire target area. There are savings in travel costs and time as well. The categories of populations will have equal probabilities of being chosen. Probability sampling gives an efficient system of capturing in a small group, the variations or heterogeneity that exist in a target population. In the management of Free Primary Education funds, the heterogeneity group is the school chairman, treasurers, Head teachers, secretary to SIMSC.

The study used a sample size of 123 SMC members' category basing on the Krejele and Morgan sample size table as cited by Mulusa, (1988) sample size table shown below.

Where N = population and n = sample size

Table 3. 2: Sample size table (Krejele and Morgan)

<i>N-n</i>	<i>N-n</i>	<i>N-n</i>	<i>N-n</i>	<i>N-n</i>
10-10	60-52	120-92	220-140	340-181
15-14	65-56	130-97	230-144	360-186
20-19	70-59	140-103	240-148	380-191
25-24	75-63	150-108	250-152	400-196
30-28	80-66	160-113	260-155	420-201
35-32	85-70	170-118	270-159	440-205
40-36	90-73	180-123	280-162	460-210
45-40	95-76	190-127	290-165	480-215
50-44	100-80	200-132	300-169	500-220
55-48	110-86	210-136	320-175	550-226

Source: Mulusa, (1988)

The study therefore, used a sample size of 123 respondents drawn from the School Management Committee members. The study, for this reason, distributed questionnaires to 41 schools targeting 3 persons per school who were the Head Teacher, Chairman and Deputy Head Teacher.

3.5 Research Instruments

Two sets of questionnaires containing both structured and unstructured questions were used for the study. One set targeted the school managers (Head teachers), while the other was used for the Chairmen of the SMC. An interview schedule was used for obtaining additional information from the Deputy Head Teachers. This enabled the researcher to obtain information for assessing the relationship between institutional innovations at school levels and effective management of FPE funds in Nakuru Municipality; the Knowledge levels of Fund managers in financial management for effective management of FPE funds; the challenges faced by Fund Managers in the management of FPE in the management of FPEs Nakuru Municipality and the measures have been put in place to overcome the factors impeding effective management of FPEs. The researcher personally administered the data collection process.

The questionnaire for the chairmen was divided into 5 sections Personal Information of the respondents in respect to the management of FPE funds; Specific information about the school in respect to the management of FPE funds. FPE funds received for the SIMBA Accounts, FPE funds received in the GPA Account; and the schools instructional materials management section where related information was obtained in respect to free primary education funds management. The questionnaire for the Head Teachers was divided into two broad sections where Personal information of the respondents in respect to the management of FPE funds and Specific information about school related to the management of FPE funds. Additional information was obtained from the Deputy Head teachers through interview schedules, which sought to obtain information in respect to institutional innovations and measures adopted in their respective schools in supplementing Free Primary Education. Secondary data was collected from the Auditors within the municipality, the Municipal Education Office, the journals, books among others. This is important because information about the trends and practices related to Free Primary Education were captured.

3.6 Validity and Reliability of Instruments

This section discusses the validity and reliability of the instruments to be used.

3.6.1 Validity of the Instruments

An instrument can be validated by proving that its items or questions are representative of the skills or characteristic that it is intended to measure (Mutai, 2000). Content validity was established by use of experts to determine if the items are a representative sample of the skills and traits that comprise the area to be measured. A pre – test was carried out in 5 schools within the study area. The experts provided guidance on the content of the instruments; that is ensuring that all the research objectives had been addressed by the questions or information sought in the instruments. The manner of construction of the questionnaires was also checked to ensure that the questions were not misinterpreted and only relevant information was obtained. The findings from the pre-test were used to improve on the questionnaire, thus enhancing its validity.

3.6.2 Reliability of the Instruments

Reliability of an instrument is the degree of consistency with which it measures a variable (Mugenda and Mugenda, 1999). To check their reliability, the three sets of questionnaires were pilot-tested amongst the school managers (Head Teachers), parents. The researcher created an atmosphere that was conducive to the Head Teachers, committee members, to enable them open up and answer the questions asked correctly. The findings of the pre-test were then analysed through the pre-test to find out if they were reliable in answering the key research questions. The results of the pre-test survey helped in restructuring of the questionnaire by incorporating the missing information, omitting irrelevant questions and paraphrasing questions that appeared ambiguous to the respondents.

3.7 Data Collection procedures

Data was collected through a drop and pick method. The questionnaires were dropped in the respective schools. The questionnaires for the Chairman were delivered with the guidance of the Head Teachers and were collected the following day. The questionnaires for the Head teachers and the Deputy Head teachers were delivered at their respective offices and collected after three hours of the same day. The data collection process was administered personally by the researcher.

3.8 Ethical Considerations

The study ensured that appropriate authorization was obtained from the Municipal Education office, prior to collection of data from the target population. The study also informed the respondents of the purpose of the study and assured them of the confidentiality of the information provided.

3.9 Data Analysis Techniques

The data collected was coded, keyed into SPSS version 11.5 computer software database, organized and cleaned of any errors that may have occurred during data collection. The data was then analyzed using descriptive statistics with the aid of the SPSS and Microsoft Excel 2007 computer software. Qualitative statistical techniques were used to describe and summarize data. The results were presented and interpreted in the form of descriptive statistics (i.e., frequencies, percentages, and means and standard deviations) and non-parametric analyses using the Chi-square tests. Chi-square tests were done where appropriate to test statistical differences between observations and correlations analyses performed. The findings were presented in tables.

3.10 Operational Definition of Variables

This section defines the variables in terms of measurable indicators. Data collection and analysis techniques and instruments are also mentioned for each variable. An operational definition is a demonstration of a process – such as a variable, term, or object – in terms of the specific process or set of validation tests used to determine its presence and quantity. The independent variables are operationalized as shown in the table below:

Table 3. 3: Operational Definition of Variables

<i>Objectives</i>	<i>Variables</i>	<i>Indicators</i>	<i>Measure(s)</i>	<i>Tools of data collection survey</i>	<i>Measuring Scale</i>	<i>Data analysis techniques</i>
To determine the relationship between institutional innovations at school levels and management of FPE funds in Nakuru Municipality, Kenya	<u>Dependent variable:</u> Management of Free Primary Education. <u>Independent variable:</u> institutional innovations at school levels and management of FPE funds	- Infrastructure - Classrooms - Learning materials	-Structures put in place by head teachers -Enhanced learning environment -Recruitment of more teachers	-Questionnaire -Records -Observation	Ordinal	Frequencies, means and percentages Correlations
To examine the Knowledge levels of Fund managers in financial management for management of FPE funds in Nakuru Municipality, Kenya.	<u>Dependent variable:</u> Management of Free Primary Education. <u>Independent variable:</u> Knowledge levels in financial management.	- Level of financial education - Financial management skills - Accounting systems in place	Level of performance in management - Efficient and effective use of funds - Proper accounting - No. of certificates annually - Number of trainings in a year	Interview schedule Observation Observation Interview	Ordinal	Frequencies, means and percentages Correlations

Continuation of Table 3.3: Operational Definition of Variables

<i>Objectives</i>	<i>Variables</i>	<i>Indicators</i>	<i>Measure(s)</i>	<i>Tools of data collection survey</i>	<i>Measuring Scale</i>	<i>Data analysis techniques</i>
To determine the challenges faced by Fund Managers in the management of FPE Nakuru Municipality, Kenya.	<p><u>Dependent variable:</u> Management of Free Primary Education.</p> <p><u>Moderating variable:</u></p> <ul style="list-style-type: none"> • Disbursement system • Level of training of fund managers • Institutional capacity • Attitude of managers • Government policy 	<p>-Efficiency of the funds disbursement system</p> <p>- Training plans</p> <p>- Positive attitude of the management</p>	<p>- Timeliness of funds disbursement</p> <p>- Level of training in funds management</p>	Questionnaires	<p>Nominal</p> <p>Ordinal</p>	Frequencies, means and percentages
To find out what measures have been put in place to overcome the factors affecting effective management of FPE.	<p><u>Independent variable:</u> Application of FPE funds according to policy guidelines</p>	<p>Allocation of vote heads</p> <p>-Disbursement of funds</p> <p>-School management committee minute book.</p> <p>-School Instructional Management Selection Committee.</p>	Allocation of various vote heads as per the policy guidelines.	Interview Observation	Ordinal	Frequencies, means and percentages

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CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSION

4.1 Introduction

This chapter presents findings of the study. The study sought to establish whether the institutional innovations at school levels influence management of Free Primary Education funds in Nakuru Municipality; to examine the Knowledge levels of financial managers in the management of Free Primary Education funds in Nakuru Municipality; to establish challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality; to assess measures that have been put in place to overcome the factors affecting management of Free Primary Education funds in Nakuru Municipality. To accomplish this, data was collected from the Chairmen of the school management committees, the Head teachers and the Deputy Head Teachers.

A total of 123 questionnaires were distributed and the response return rate is given in Table 4.1 below.

Table 4. 1: Response Return rate

<i>Category of respondents</i>	<i>No. of questionnaires returned</i>	<i>Target No. of questionnaires</i>	<i>Response rate</i>
Head Teachers	30	41	78%
Chairmen	30	41	78%
Deputy Head Teachers	24	41	59%

The study was able to get a response from 90 respondents out of the 123 questionnaires distributed to the 41 schools; that is a response rate of 78%. The reasons cited in the cases of non response included, conflicting time schedules and unavailable respondents for contact.

4.2 Presentation of findings

This section contains the presentation of findings arising from data analysis which analyses the general characteristics of the respondents, the influence of institutional innovations, financial management knowledge levels of fund managers on management of FPE funds as well as the FPE funds management associated challenges and measures.

4.2.2 General Characteristics of the respondents

4.2.2.1: Gender of the respondents

The gender of the respondents was sought where the results are given in Table 4.2 below.

Table 4. 2: Gender of the respondents

Gender	Chairmen	Head Teachers	Frequency	Percentage
Male	26	17	43	72%
Female	4	13	17	28%
Total	30	30	60	100%

The findings show that majority of the respondents (72%) of the respondents were male, while 13% were female. This implied that that there were more male involved in the management of free primary education funds than female. This gender imbalance could also be a contributor to the prevailing state of affairs. The policy makers needed to involve more women in the management of the FPE funds.

4.2.2.2: Length of service of the respondents in the school committees

<i>Length of service</i>	<i>Chairmen</i>	<i>Head Teachers</i>	<i>Deputy H / Teachers</i>	<i>Frequency</i>	<i>Percentage</i>
1-5 years	21	26	20	67	78%
6 -10 years	6	4	6	16	19%
10 years and above	3	-	-	3	3%
Total	30	100	26	86	100%

Majority of the respondents (78%) had served the respondents in the school committees involved in the management of funds for a period of 1-5 years; 19% for a period of 6 -10 years; while 3% respondents indicated a period of 10 years and above. This was a period long

enough to comprehend the factors that were critical in the management of free primary education funds. Hence the information provided by them was information based on experience, given that free primary school was introduced in Kenya in the year 2003.

4.2.2.3: Age of the respondents

The study sought to establish the age of the respondents and the result is given in Table 4.3 below.

Table 4. 3: Age of the respondents

<i>Age bracket</i>	<i>Chairmen</i>	<i>Head Teachers</i>	<i>Frequency</i>	<i>Percentage</i>
31- 40 years	8	5	13	22%
41- 50 years	13	21	34	57%
More than 50 years	9	4	13	22%
Total	30	30	60	100%

The responses were as follows: 41- 50 years (34 respondents); More than 50 years (13 respondents); and 31- 40 years (13 respondents). This meant that majority of the persons involved in the management of free primary education funds were of mature age and thus had the capacity of handling the funds on the basis of age. Most chairmen and head teachers in the Nakuru Municipality are aged between 41 and 50 years age.

4.2.2.4: Highest level of Education

The study also sought to establish the highest academic qualification of the respondents is as shown in the Table 4.4 below.

Table 4. 4: Highest level of Education

<i>Level of Education</i>	<i>Chairmen</i>	<i>Head Teachers</i>	<i>Frequency</i>	<i>Percent</i>
KCSE	16	20	36	60%
KACE		2	2	3%
Diploma	11	4	15	25%
Degree	0	4	4	7%
Masters Degree	3	0	3	5%
Total	30	30	60	100%

Majority of the respondents (36 respondents) indicated the highest level of Education attained was KSCE, whereas 15 respondents indicated diploma, whereas 4 respondents indicated Degree level, while 3 indicated that they had Masters Degree as their highest education level. This implied that the levels were not sufficient for the effective management of FPE funds. The respondents needed further training especially in financial management to be at par with the enormous task before them. KCSE educational level attained by most respondents was good alright but required additional financial management especially for the fund managers (Head Teachers).

The study wanted to get information from the respondents as to whether they were members of the School Management Committee. The finding was that all the respondents interviewed indicated that they were members of the School Management Committee.

4.2.2.6: Chairman's frequency of election as a member of SMC

The study sought to find out how many times the Chairmen had been elected as members of SMC and the result is given in Table 4.5.

Table 4. 5: Chairman's frequency of election as a member of SMC

<i>Frequency of election</i>	<i>Frequency</i>	<i>Percentage</i>
1-3 times	13	43%
4-6 times	8	27%
7-8 times	4	13%
more than 8 times	5	17%
Total	30	100%

Most of the respondents (13) indicated that they have been elected as committee members for a frequency of 1-3 times, 8 for a frequency of 4-6 times, 5 for a frequency more than 8 times, while 5 respondents indicated a frequency of 7-8 times. This frequency could be a positive contributor in that it added to the experience of the chairmen in the management of FPE funds.

4.2.3: Management of Free Primary Education funds

4.2.3.1: Frequency of SMC meetings

The study sought to determine the frequency of SMC meetings is given in Table 4.6 below.

Table 4. 6: Frequency of SMC meetings

<i>Frequency of SMC meetings</i>	<i>Frequency</i>	<i>Percentage</i>
Once per term	19	63.3
Once a year	2	6.7
When required (When funds arrive, when books arrive)	9	30.0
Total	30	100.0

The results were: Once per term (19 respondents); When required (When funds arrive, when books arrive) (9 respondents); and Once a year (2 respondents). The implication here is that the frequency of the meetings is sufficient. However, not all schools had this frequency and thus there was need to encourage them to meet on every term for easier track of events and funds management related issues in time for relevant corrective action.

4.2.3.2: A/C 1 Disbursement of FPE funds

The response to whether the school missed any disbursement in A/C 1 is given in Table 4.7 below.

Table 4. 7: A/C 1 Disbursement

Disbursement of FPE funds	Frequency	Percent
No	26	86.7
Yes	4	13.3
	30	100

Majority of the respondents (86.7%) indicated that they had never missed any disbursement in A/C 1, while 13.3% did not provide a response. The regularity of the funds is good for consistency in the management system employed. When funds miss the cause difficulties in the funds management, since, the situation is likely to prompt unplanned expenses.

4.2.3.3: A/C 2 disbursement

The response to the school missing any disbursement in A/C 2 is given in Table 4.8 below.

Table 4. 8: A/C 2 disbursement

<i>A/C 2 disbursement</i>	<i>Frequency</i>	<i>Percent</i>
Yes	2	6.7
No	28	93.3
Total	30	100.0

Majority of the respondents (93.3%) indicated that they had never missed any disbursement in A/C 1, while 6.7% had missed. The regularity of the funds is good for consistency in the management system employed. When funds miss the cause difficulties in the funds management, since, the situation is likely to prompt unplanned expenses.

4.2.3.4:: Interference from external forces

The response to the statement that there was interference from external forces is given in Table 4.9 below.

Table 4. 9: Interference from external forces

	<i>Observed N</i>	<i>Expected N</i>	<i>Residual</i>
Strongly Disagree	7	7.5	-.5
Disagree	13	7.5	5.5
Agree	4	7.5	-3.5
Strongly Agree	6	7.5	-1.5
Total	30		

Majority of the respondents (13) disagreed that there was interference from external forces; which was the only frequency above the expected number of 7.5. Free primary education funds in schools were administered free from any external interference and thus, the management of the funds could thus be carried on smoothly without external forces, hence there were to be no excuses.

4.2.4 Influence of Institutional innovations at school levels in the management of Free Primary Education funds

This section contains information related to the influence of Institutional innovations at school levels influence management of Free Primary Education funds in Nakuru Municipality.

4.2.4.1: School expenditures are guided by a school budget prepared by SMC

The response to the fact that the school expenditures are guided by a school budget prepared by SMC is given in Table 4.10 below.

Table 4. 10: The school expenditures are guided by a school budget prepared by SMC

	<i>Observed N</i>	<i>Expected N</i>	<i>Residual</i>
Agree	6	15.0	-9.0
Strongly Agree	24	15.0	9.0
Total	30		

Majority of the respondents (24) strongly agree that the school expenditures are guided by a school budget prepared by SMC, while 6 respondents agreed. The SMC budgets provide guidance on the usage of the FPE funds. Inefficient budgeting system will however, negatively impact on the manner of spending.

4.2.4.2: Types of classrooms within the school

The Types of classrooms in the school of the respondents is given in Table 4.21 below.

Table 4. 11: Types of classrooms within the school

Types of classrooms	Frequency	Percentage
Permanent	26	86.7
Semi Permanent	4	13.3
Total	30	100.0

The results were: 87% permanent and 13% Semi Permanent. The SMC are making arrangements to ensure that the supportive learning environment. The fact that most of the facilities are permanent is a good indicator of institutional innovations.

4.2.4.3: The condition of the classrooms within the school

The condition of the classrooms within the school of the respondents is given in Table 4.21 below.

Table 4. 12: The condition of the classrooms within the school

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bad	4	13.3	13.3	13.3
	Fair	13	43.3	43.3	56.7
	Good	11	36.7	36.7	93.3
	Very good	2	6.7	6.7	100.0
	Total	30	100.0	100.0	

The conditions of the classrooms within the school were described as Fair (43.3%), Good (36.7%), Bad (13.3%) and Very good (6.7%). The condition of the classrooms within the school in most schools is a good indicator of Institutional innovations, however, much needs to be done in most schools to improve the conditions of the learning facilities.

4.2.5 Knowledge levels of financial managers in the management of Free Primary Education funds

This section contains the findings in respect to the respondents' Knowledge levels of financial managers in the management of Free Primary Education funds in Nakuru Municipality.

4.2.5.1 The total amount received in A/C 1 since 2003

The total amount received in A/C 1 since 2003 to date is given in Figure 4.13 below.

Table 4. 13: The total amount received in A/C 1 since 2003

	<i>A/C 1 since 2003 to date</i>	<i>A/C 2 since 2003 to date</i>	<i>Frequency</i>	<i>Percentage</i>
Below Ksh. 1,000,000	2	2	4	7%
Between Ksh. 1,000,000 and Ksh. 2,000,000		6	6	10%
Between Ksh. 2,000,001 and Ksh. 3,000,000	6	12	18	30%
Between Ksh. 3,000,001 and Ksh. 4,000,000	10	6	16	27%
Between Ksh. 4,000,001 and Ksh. 5,000,000	2	-	2	3%
between Ksh. 5,000,001 and Ksh. 6,000,000	4	-	4	7%
Above Ksh. 6,000,000	2	-	2	3%
No response	4	4	8	13%
	30	30	60	100%

The results were as follows: between Ksh. 2,000,001 and Ksh. 3,000,000 (18 respondents), between Ksh. 3,000,001 and Ksh. 4,000,000 (16 respondents), Between Ksh. 1,000,000 and Ksh. 2,000,000 (6 respondents), between Ksh. 5,000,001 and Ksh. 6,000,000 (4 respondents), Between Ksh. 4,000,001 and Ksh. 5,000,000 (2 respondents), Below Ksh. 1,000,000 (2 respondents), Above Ksh. 6,000,000 (2 respondents), while 8 respondents did not provide answers. The funding level in most schools involves substantial amounts of

money and these amounts need proper accounting. It is therefore, important that the fund managers be equipped financial management knowledge.

4.2.5.2: Sufficiency of financial management knowledge

The response to the statement that there is lack of sufficient financial management knowledge is given in Table 4.14 below.

Table 4. 14: Sufficiency of financial management knowledge

	Observed N	Expected N	Residual
Strongly Disagree	6	7.5	-1.5
Disagree	18	7.5	10.5
Neutral	2	7.5	-5.5
Agree	4	7.5	-3.5
Total	30		

The head teachers indicated that financial management knowledge levels were not sufficient where they disagreed as indicated above with an observed number of 18 against an expected number of 7.5 above. This is a situation that needed to be addressed with urgency, since lack of financial management knowledge can cause the collapse of the entire system.

4.2.5.2: Existence of training programme on funds management

The study also sought to find out from the Chairmen of the SMC about the existence of a training programme on funds management in schools to which the response is given in Table 4.15 below.

Table 4. 15: Existence of training programme on funds management

	Observed N	Expected N	Residual
Strongly Disagree	2	6.0	-4.0
Disagree	2	6.0	-4.0
Neutral	8	6.0	2.0
Agree	8	6.0	2.0
Strongly Agree	10	6.0	4.0
Total	30		

Most respondents (10 out of 30) strongly agreed that the school has a training programme on funds management, 8 agreed, while 8 were neutral. The rest disagree. The chairmen indicated that the schools visited in the study had a training programme on funds management, hence this contributed to the enhancement of the knowledge levels of the funds managers in the management of funds.

The study also sought to find out from the Head Teachers about the existence of a training programme on funds management in schools to which the response is given in Table 4.16 below

Table 4. 16: Existence of a training programme on funds management in schools

	<i>Observed N</i>	<i>Expected N</i>	<i>Residual</i>
Strongly Disagree	4	6.0	-2.0
Disagree	3	6.0	-3.0
Agree	18	6.0	12.0
Strongly Agree	5	6.0	-1.0
Total	30		

Majority of the respondents (18) agreed that the school has a training programme on funds management which is the only frequency above the expected number of 6.0. The Head teachers also agreed with there was a training programme on funds management in their schools; however, this was not the case for all the schools. There was need therefore to ensure that all the fund managers had been trained in the management of the funds.

4.2.5.6: The school maintains proper books of accounts

The SMC chairmen were asked whether the school maintains proper books of accounts and the response is given in Table 4.17 below.

Table 4. 17: The school maintains proper books of account

	<i>Observed N</i>	<i>Expected N</i>	<i>Residual</i>
Strongly Disagree	2	10.0	-8.0
Agree	7	10.0	-3.0
Strongly Agree	21	10.0	11.0
Total	30		

The results were: strongly agree (21), agree (7) and Strongly Disagree (2). This was an indication that that most Chairmen believed that the fund managers had knowledge of how to manage the FPE funds. However, this was dependent on whether they understood what proper books implied. Maintenance of proper books of accounts is a positive indicator to high knowledge levels.

4.2.5.7: Approvals and authorization system.

The response to the fact that there is an effective approvals and authorization system in place is given in Table 4.18 below.

Table 4. 18: Approvals and authorization system.

	Observed N	Expected N	Residual
Agree	6	15.0	-9.0
Strongly Agree	24	15.0	9.0
Total	30		

Majority of the respondents (24) strongly agreed that there was an effective approvals and authorization system in place, while 6 respondents agreed. The existence of an efficient system of approval is an indicator of high financial management knowledge levels. The chairmen indicated that this was the case in their schools.

4.2.5.8: School accounts expenditure charts are displayed strategically

The response to the fact that there is an effective approvals and authorization system in place is given in Table 4.19 below.

Table 4. 19: School accounts expenditure charts are displayed strategically

	Observed N	Expected N	Residual
Agree	12	15.0	-3.0
Strongly Agree	18	15.0	3.0
Total	30		

Majority of the respondents (18) strongly agreed that the school accounts expenditure charts are displayed strategically, while 12 respondents agreed. This is a good financial management practice and also a show of accountability and transparency by the schools. The practice shows that the schools' fund managers were aware of this requirement.

4.2.5.9: The displaying of school accounts expenditure charts (latest status of FPE funds)

The response to the statement that the school accounts expenditure charts are displayed strategically (latest status of FPE funds) is given in Table 4.20 below.

Table 4. 20: The displaying of school accounts expenditure charts

	<i>Observed N</i>	<i>Expected N</i>	<i>Residual</i>
Neutral	2	8.7	-6.7
Agree	5	8.7	-3.7
Strongly Agree	19	8.7	10.3
Total	26		

Majority of the respondents (19) strongly agreed that the school accounts expenditure charts are displayed strategically (latest status of FPE funds); which is the only frequency above the expected number of 8.7. This is a good financial management practice and also a show of accountability and transparency by the schools. The practice shows that the schools' fund managers were aware of this requirement.

4.2.5.10: Maintenance of a School Instructional Materials Stock Receipt Register

The response to the statement that the school correctly maintains a School Instructional Materials Stock Receipt Register is given in Table 4.21 below

Table 4. 21: Maintenance of a School Instructional Materials Stock Receipt Register

	<i>Observed N</i>	<i>Expected N</i>	<i>Residual</i>
Agree	7	13.0	-6.0
Strongly Agree	19	13.0	6.0
Total	26		

Majority of the respondents (19) strongly agreed that the school correctly maintains a School Instructional Materials Stock Receipt Register; which is the only frequency above the expected number of 13.0. This is proof of the knowledge level in financial record keeping by the Fund Managers. All the respondents agreed that these set of records is maintained by the schools.

4.2.5.11: Maintenance of proper books of account (a cash book for Instructional Materials Account 1)

The response to the statement that the school maintains proper books of account (a cash book for Instructional Materials Account 1) is given in Table 4.22 below

Table 4. 22: Maintenance of proper books of account

	Observed N	Expected N	Residual
Agree	2	13.0	-11.0
Strongly Agree	24	13.0	11.0
Total	26		

Majority of the respondents (24) strongly agreed that school maintains proper books of account (a cash book for Instructional Materials Account 1); which is the only frequency above the expected number of 13.0. This is proof of the knowledge level in financial record keeping by the Fund Managers. All the respondents agreed that these set of records is maintained by the schools.

4.2.5.12: Correct maintenance of the Cash book for GPA

The response to the statement that the cash book for GPA is correctly maintained is given in Table 4.23 below.

Table 4. 23: Correct maintenance of the Cash book for GPA

	Observed N	Expected N	Residual
Agree	2	13.0	-11.0
Strongly Agree	24	13.0	11.0
Total	26		

Majority of the respondents (24) strongly agreed that the cash book for GPA is correctly maintained; which is the only frequency above the expected number of 13.0. This is proof of the knowledge level in financial record keeping by the Fund Managers. All the respondents agreed that these set of records is maintained by the schools.

4.2.5.13: Guidance of School expenditures by school SMC budget

The response to the statement that the school expenditures are guided by a school budget prepared by SMC is given in Table 4.24 below.

Table 4. 24: Guidance of School expenditures by school SMC budget

	Observed N	Expected N	Residual
Neutral	2	8.7	-6.7
Agree	9	8.7	.3
Strongly Agree	15	8.7	6.3
Total	26		

Majority of the respondents (15) strongly agreed that the school expenditures are guided by a school budget prepared by SMC; which is the only frequency above the expected number of 8.7. This was an indication of a good accounting practice since budget guide demonstrates compliance with sound financial management practices.

4.2.5.14: Chairmen’s training on management of school funds

The response as to whether the chairmen have been trained on management of school funds is given in Table 4.25 below.

Table 4. 25: Chairmen’s training on management of school funds

<i>Trained on management</i>	<i>Frequency</i>	<i>Percentage</i>
Yes	21	70.0
No	9	30.0
Total	30	100.0

The results were: Yes (70%) and No (30%). The results that most chairmen had received some form of financial management training thus could positively influence the funds managers. However, the fund managers needed to be trained in financial management.

4.2.5.15: Type of training

The type of trainings received by the Chairmen for the management of funds is given in Table 4.26 below.

Table 4. 26: Type of training

	<i>Frequency</i>	<i>Frequency</i>	<i>Percentage</i>
A workshop by Ministry of Education	2	4	22%
FPE management on funds as SMC	2	4	22%
CDF management workshop	1	2	11%
Basic Financial Management	4	8	44%
Totals	9	18	100%

The types of training received by the Chairmen for the management of funds registered the following frequencies: Basic Financial Management (44%); A workshop by Ministry of Education (22%); FPE management on funds as SMC (22%); and CDF management workshop (11%. Since they were not the fund managers, this form of training received was sufficient to enable them contribute to the effectiveness of the FPE management system.

4.2.5.16: Misplacement of essential documents such as minute books

The response to the statement that there is misplacement of essential documents such as minute books is given in Table 4.27 below.

Table 4. 27: Misplacement of essential documents such as minute books

	<i>Observed N</i>	<i>Expected N</i>	<i>Residual</i>
Strongly Disagree	16	7.5	8.5
Disagree	10	7.5	2.5
Neutral	2	7.5	-5.5
Strongly Agree	2	7.5	-5.5
Total	30		

Majority of the respondents (16) strongly disagreed and 10 respondents disagreed that the school accounts expenditure charts are displayed strategically (latest status of FPE funds);

levels which are above the expected number of 7.5. This was a good management practice, since a good management system dictates safe keeping of sensitive documents.

4.2.5.17: Chairmen's duration since last training in financial management

The Chairmen's duration since last training in financial management of funds is given in Table 4.28 below.

Table 4. 28: Chairmen's last training in financial management

Period since last training	Frequency	Percentage
Below 1 year ago	4	13.3
1 - 2 years ago	11	36.7
3 - 4 years ago	9	30.0
Not trained	6	20.0
Total	30	100.0

Majority of the respondents (11) indicated that they had been trained in financial management for a period of 1-2 years ago, 9 indicated that they had been trained 3- 4 years ago, while 4 had been trained for a period below 1 year ago. 6 indicated had not received any form of financial management training. The duration since the last training was long and this was not good. There was therefore need for frequent training in financial management.

4.2.5.18: Importance of keeping the books of accounts

The response to the statement that it is not important to keep the books is given in Table 4.29 below.

Table 4. 29: Importance of keeping the books of accounts

	<i>Observed N</i>	<i>Expected N</i>	<i>Residual</i>
Strongly Disagree	26	10.0	16.0
Disagree	2	10.0	-8.0
Strongly Agree	2	10.0	-8.0
Total	30		

Majority of the respondents (26) strongly disagreed that, it was not important to keep the books; which is the only frequency above the expected number of 10.0. The appreciation of the importance of keeping the books of accounts was an expression of the SMC's (fund managers to enhance their financial management skills, hence this form of trading should be encouraged.

4.2.5.19: Frequency of Chairmen's training in financial management

The Frequency of Chairmen's training in financial management of funds is given in Table 4.30 below.

Table 4. 30: Frequency of Chairmen's training in financial management

<i>Frequency of Chairmen's training</i>	<i>Frequency</i>	<i>Percentage</i>
Bi annual interval	2	6.7
Annually	7	23.3
None	15	50.0
Between 1 year to 2 years	2	6.7
Between 2 years to 3 years	2	6.7
Above 3 years	2	6.7
Total	30	100.0

Majority of the respondents (50%) indicated that they had not received Frequency of Chairmen's training, 23.3% indicated the training interval was annually, 6.7% indicated Bi annual interval, 6.7% indicated Between 1 year to 2 years, 6.7% indicated Between 2 years to 3 years, while 6.7% indicated an interval Above 3 years. This finding negates the earlier finding presented above, it therefore means that most of the SMC chairmen had not received Frequency of Chairmen's training and thus needed to be trained since they were also involved in the funds management process.

4.2.6 Challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality

4.2.6.1: Enrolment of the school

The Enrolment of the school of the respondents is given in Table 4.31 below.

Table 4. 31: Enrolment of the school

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1- 250	2	6.7	6.7	6.7
501-750	4	13.3	13.3	20.0
751-1000	4	13.3	13.3	33.3
1001-1250	14	46.7	46.7	80.0
1501-1750	4	13.3	13.3	93.3
Above 2000	2	6.7	6.7	100.0
Total	30	100.0	100.0	

Most respondents (14) indicated that the enrolment levels in their schools were between 1001 and 1250, four (4) indicated between 1501 and 1750, four (4) indicated between 751-1000, four (4) indicated between 501 and 750, two (2) indicated the numbers to be above 2000, while 2 said that their enrollment was between 1 and 250. The FPE funding policy was in accordance to the number of schools enrolled in a school. Large enrollment meant handling large amounts of money hence the greater need for the enhancement of the financial knowledge levels of the fund managers. Large enrollment was cited as one of the challenges facing the effective management of FPE funds.

4.2.6.2: The teacher pupil ratio

The total number of teachers in the school of the respondents is given in Table 4.32 below.

Table 4. 32: The teacher pupil ratio

<i>Teacher pupil ratio</i>	<i>Frequency</i>	<i>Percentage</i>
1:21 to 1:40	6	20.0
1:41 to 1:60	20	66.7
1:61 to 1:80	4	13.3
Total	30	100.0

The results for the teacher pupil ratio were: 1:41 to 1:60 (66.7% or 20 respondents), 1:21 to 1:40 (20% or 6 respondents) and 1:61 to 1:80 (13.3% or 4 respondents). The teacher pupil ratio is an indication that there is a great shortage of teachers; this would pose a challenge to the fund managers, who strive to use the limited resources to promote quality.

4.2.6.3: Challenges experienced by Fund Managers in the management of Free Primary Education

The Challenges experienced by Fund Managers in the management of Free Primary Education are given in the Table 4.33 below.

Table 4. 33: Challenges experienced by Fund Managers

	<i>Frequency</i>	<i>Percentage</i>
Inadequate funds for some vote heads	22	31%
Delay in disbursements	18	25%
Lack of expertise in Accounts	14	19%
Over enrollment (Continuous enrollment)	4	6%
Unrealistic vote heads	4	6%
Insincerity of those in authority	2	3%
Low enrollment hence low FPE funding	2	3%
Loss of books by pupils and uncooperative parents to replace the books	2	3%
Change of syllabus leading to shortage of text books	2	3%
Conflict of interest from other stakeholders	2	3%
	72	100%

The challenges were: Inadequate funds for some vote heads; Delay in funds disbursement; Lack of expertise in Accounts; Over enrollment (Continuous enrollment) of school children thus stretching the facilities and compromising the quality of education; Unrealistic vote heads especially the vote head on electricity and water; Conflict of interest from other stakeholders such as the SMC members and politicians; Low enrollment hence low FPE funding; Loss of books by pupils and uncooperative parents to replace the books; Change of syllabus leading to shortage of text books; and Insincerity of those in authority.

4.2.7 Measures that can be put in place to enhance the management of FPE funds

This section presents the findings related to the Measures that can be put in place to enhance the management of FPE funds

4.2.7.1: Measures that can be put in place to enhance the management of FPE funds

The measures that can be put in place to enhance the management of FPE funds are shown in the Table 4.34 below.

Table 4. 34: Measures that can be put in place to enhance the management of FPE funds

	<i>Frequency</i>	<i>Percentage</i>
Frequent trainings	20	29%
Ensure consistent and timely disbursement	16	23%
Increase funds allocation	10	14%
Employ Accountants	6	9%
Consider allowances for SMC (sitting & travel etc)	6	9%
Parents to support the FPE by contributing towards projects of the school	2	3%
Proper use of the funds disbursed to schools	2	3%
Proper maintenance of books	2	3%
Election of literate officials	2	3%
Increase Vote heads	2	3%
The ministry to look for more donors	2	3%
Totals	70	100%

Measures that can be put in place to enhance the management of FPE funds in the order to that which was appearing many times in the questionnaires were as follows: Frequent trainings; Ensure consistent and timely disbursement; Increase funds allocation; Employ Accountants; Consider allowances for SMC (sitting & travel etc); Parents to support the FPE by contributing towards projects of the school; Proper use of the funds disbursed to schools; Proper maintenance of book; Election of literate officials; Increase Vote heads; and The ministry to look for more donors.

4.2.7.2: Plans put in place to supplement FPE

The plans put in place by various schools to supplement free primary education are as shown in the Table 4.35 below.

Table 4. 35: Plans put in place to supplement FPE

	<i>Frequency</i>	<i>Percentage</i>
Parents are advised to buy supplementary books and learning materials	8	22%
Schools try sourcing for funds from local donors e.g. banks, local authority, red cross , publishers etc	6	16%
Parents are advised to get variety of story books	2	5%
Making sure that the lost books are recovered	2	5%
Involve all pupils in co- curriculum activities	2	5%
Sensitizing pupils on care of available infrastructure	2	5%
SIMSC oversees purchase of materials	2	5%
Parents have been educated to participate in SDP	2	5%
Parents and teachers have been educated on care of instructional materials	2	5%
Replacement of lost books is instilled	2	5%
Encouraging parents to raise funds for meeting school bills	1	3%
Sensitizing parents on how to cater for the books	1	3%
Records of receipts and issue are in place to monitor the ratio	1	3%
Having ECDE centre as an income generating activity thus supporting FPE operations	1	3%
Mobilizing the community to give IRE teachers	1	3%
CDF contribution (buildings, libraries etc)	1	3%
Training of Head teachers and other stakeholders	1	3%
Totals	37	100%

4.2.7.3: Measures do you think should be put in place to enhance the management of FPE

Suggested measures in the enhancement of the management of FPE Funds are given in Table 4.36 below.

Table 4. 36: Suggested measures in the enhancement of the management of FPE Funds

	<i>Frequency</i>	<i>Percentage</i>
Training the SMC	16	22%
Adequate funding to the schools (increase funding)	14	19%
Timely disbursement	12	16%
Employ Account clerks	8	11%
Proper planning (setting expenditure priorities)	4	5%
Parents to support FPE by additional contributions for physical facilities and books	4	5%
Disbursement to depend on location of schools and need	4	5%
Solicit more funding from donors	2	3%
Money for account 1 should not be based on book ration	2	3%
Stern measures to be taken against those pupils who loose books.	2	3%
Storage equipment to be reinforced	2	3%
Adherence with the budgets	2	3%
Consider initiating / funding of school feeding programme	2	3%
Total	74	100%

Suggested measures are as follows: Parents are advised to buy supplementary books and learning materials; Schools should be allowed to try sourcing for funds from local donors such as banks, local authority, red cross, publishers etc; Parents are advised to get variety of story books; schools to make sure that the lost books are recovered; Sensitizing pupils on care of available infrastructure; SIMSC to oversee purchase of materials. Parents have to be educated to participate in School Development Plans; Parents and teachers to educated on care of instructional materials; Replacement of lost books to be instilled to all the stakeholders; Encouraging parents to raise funds for meeting school bills like electricity and water. Records of receipts and issue are in place to monitor the usage of materials procured; Having ECDE centre as an income generating activity thus supporting FPE operations; Mobilizing the community to give IRE teachers; CDF contribution (buildings, libraries etc); and Training of Head teachers and other stakeholders.

4.3 Data interpretation

The study was carried out free of gender biasness and the gender statistics provided reflect the composition of the workforce. The respondents were educated and thus understood the operationalisation of the FPE program. The analysis involved usage of percentages and frequencies. Tables were used for presentation. The interpretation is the higher the percentage the higher or the justified the fact being tested. In cases where chi square is used the study upholds or attaches significance to the scales tested for instance strongly agree have scores that are above the expected number. In other words, where observed number exceeds expected number.

4.4 Discussion of findings

This section presents the discussion of findings in respect to the influence of institutional innovations, financial management knowledge levels of fund managers on management of FPE funds as well as the FPE funds management associated challenges and measures.

4.4.1 Institutional innovations at school levels

Most of the Head Teachers strongly agreed that the school had a training programme on funds management. Deputy Head Teachers indicated that the schools had tried to introduce some plans / activities to supplement FPE (institutional innovations).

These attempts are: Parents are advised to buy supplementary books and learning materials; Training of Head teachers and other stakeholders; Parents are advised to get variety of story books; Making sure that the lost books are recovered; Involve all pupils in co- curriculum activities; Sensitizing pupils on care of available infrastructure; SIMSC oversees purchase of materials; Parents have been educated to participate in SDP; Parents and teachers have been educated on care of instructional materials; Replacement of lost books is instilled; Encouraging parents to raise funds for meeting school bills; Sensitizing parents on how to cater for the books; Records of receipts and issue are in place to monitor the ratio; Having ECDE centre as an income generating activity thus supporting FPE operations; Mobilizing the community to give IRE teachers; CDF contribution (buildings, libraries etc); and Schools try sourcing for funds from local donors e.g. banks, local authority, red cross , publishers etc.

Regarding the aspect of compliance to the set guidelines, majority of the respondents (21) indicated that the school maintains proper books of account. Majority of the respondents (24) strongly agree that the school expenditures are guided by a school budget prepared by

SMC. Majority of the respondents (24) strongly agreed that there was an effective approvals and authorization system in place. The findings also reveal that majority of the respondents (18) strongly agreed that the school accounts expenditure charts are displayed strategically.

It is further established that most of the respondents (70%) had been trained on financial management of school funds. Ironically the study also established that majority of the respondents (50%) indicated that they had not received training in financial management, 23.3% indicated the training interval was annually

4.4.2 Knowledge levels of Fund managers in financial management for management of Free Primary Education

Majority of the respondents indicated that the total number of teachers in the school were between 1 and 20. The teacher pupil ratio was between 1:41 to 1:60 (66.7% or 20 respondents) in most cases. The class of the school classrooms was 87% permanent and 13% Semi Permanent, while the conditions of the classrooms within the school were described as Fair (43.3%), Good (36.7%).

Majority of the respondents agreed that the school has a training programme on funds management. They strongly agreed that the school correctly maintains a School Instructional Materials Stock Receipt Register. They further strongly agreed that school maintains proper books of account (a cash book for Instructional Materials Account 1).

It is also found out that most of the head teachers strongly agreed that the cash book for GPA is correctly maintained and that the school expenditures are guided by a school budget prepared by SMC. Majority of the respondents (20) strongly agreed that there is an effective approvals and authorization system in place. Majority of the respondents (19) strongly agreed that the school accounts expenditure charts are displayed strategically (latest status of FPE funds)

4.4.3 Challenges influencing the management of FPE funds

According to the Head Teachers, who are the Fund Managers, the challenges influencing the management of FPE funds were: Inadequate funds for some vote heads; Delay in funds disbursement; Lack of expertise in Accounts; Over enrollment (Continuous enrollment) of school children thus stretching the facilities and compromising the quality of education; Unrealistic vote heads especially the vote head on electricity and water; Conflict of interest from other stakeholders such as the SMC members and politicians; Low enrollment hence low FPE funding; Loss of books by pupils and uncooperative parents to replace the books; Change of syllabus leading to shortage of text books; and Insincerity of those in authority.

4.4.4 Measures adopted to overcome the challenges affecting effective management of FPE funds

Measures suggested by the SMC chairmen included: The suggestion that the Ministry of Education to consider looking for more donors to fund the FPE; MOE to ensure consistent and timely disbursement of FPE funds; MOE to increase funds allocation; Schools to be empowered to employ Accountants; MOE to allocate resources for allowances for SMC (sitting and travel etc); Parents to support the FPE by contributing towards projects of the school; there should be proper use of the funds disbursed to schools according to the plans; there should be proper maintenance of books of accounts; the system should ensure election of literate officials; MOE to increase Vote heads and allocations of funds to be made for the support of frequent trainings.

Measures suggested by the Head Teachers were as follows: Parents are advised to buy supplementary books and learning materials; Schools should be allowed to try sourcing for funds from local donors such as banks, local authority, red cross, publishers etc; Parents are advised to get variety of story books; schools to make sure that the lost books are recovered; Sensitizing pupils on care of available infrastructure; SIMSC to oversee purchase of materials. Parents have to be educated to participate in School Development Plans; Parents and teachers to educated on care of instructional materials; Replacement of lost books to be instilled to all the stakeholders; Encouraging parents to raise funds for meeting school bills like electricity and water. Records of receipts and issue are in place to monitor the usage of materials procured; Having ECDE centre as an income generating activity thus supporting

FPE operations; Mobilizing the community to give IRE teachers; CDF contribution (buildings, libraries etc); and Training of Head teachers and other stakeholders.

CHAPTER FIVE

5.0 SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes and concludes the research findings as carried out. At the end of the chapter, some useful recommendations are proposed by the researcher to the organization under study in order to solve the problem under study, based on the research findings. This chapter will be concluded with a contribution to the body knowledge. The purpose of the study was to examine the factors influencing the management of Free Primary Education funds in Nakuru Municipality, Kenya.

In accomplishing the study was guided by the following study objectives.

1. To establish whether the institutional innovations at school levels influence management of Free Primary Education funds in Nakuru Municipality.
2. To examine the Knowledge levels of financial managers in the management of Free Primary Education funds in Nakuru Municipality.
3. To establish challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality.
4. To assess measures that have been put in place to overcome the factors affecting management of Free Primary Education funds in Nakuru Municipality.

5.2 Summary of the findings

This section presents a summary of the findings arising from the study. The section summarizes how each objective has been addressed.

The study was set to establish whether the institutional innovations at school levels influence management of Free Primary Education funds in Nakuru Municipality. From the findings it is clear that institutional innovations such as improvement to buildings (type of classrooms) have an influence on the management of Free Primary Education funds. This is achieved with the guidance from the budgets provided by the SMC.

The study sought to examine the Knowledge levels of financial managers in the management of Free Primary Education funds in Nakuru Municipality. From the study it was established that the fund managers' level of financial management was Insufficient for proper management of the funds. This was a problem considering the large amount of funds disbursed to the schools, which was determined by the number of children enrolled in schools. There was, therefore, need for refresher trainings in financial management required for Fund Managers.

The challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality were also examined and this included: Inadequate funds for some vote heads; Delay in funds disbursement; Lack of expertise in Accounts; Over enrollment (Continuous enrollment) of school children thus stretching the facilities and compromising the quality of education; Unrealistic vote heads especially the vote head on electricity and water; Conflict of interest from other stakeholders such as the SMC members and politicians; Low enrollment hence low FPE funding; Loss of books by pupils and uncooperative parents to replace the books; Change of syllabus leading to shortage of text books; and Insincerity of those in authority. These challenges needed to be addressed urgently to avoid setbacks related with poor management of funds.

The measures put in place to overcome the challenges affecting effective management of FPE funds were also identified and these included: organizing workshops for SMC training; Appealing for more funding from well wishers; sensitization campaigns to parents in support / supplementing the FPE funds; involvement in income generating activities to supplement FPE, Flexible budgeting and executing punitive measures for lost books.

5.3 Conclusions of the study

The study set to establish whether the institutional innovations at school levels influence management of Free Primary Education funds in Nakuru Municipality; to examine the Knowledge levels of financial managers in the management of Free Primary Education funds in Nakuru Municipality; to establish challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality; to assess measures that have been put in place to overcome the factors affecting management of Free Primary Education funds in Nakuru Municipality. The study utilized the two sets of questionnaires and an interview schedule to collect data that was analysed and presented in the form charts and tables in chapter 4. This study was, thus, successful in addressing the research objectives. Following the study findings the study concludes as follows:

The study found out that although the head teacher 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. The level of financial management knowledge amongst the Fund Managers in primary schools within Nakuru Municipality was low (insufficient) as evidenced by the appeal of fund managers to be allowed to employ accounting staff.

The study revealed that there were delays in the disbursement of free primary education funds to primary schools in Nakuru Municipality, which hindered the school managers in planning ahead and affected the management of the free primary education funds. The study also found out that there was need for sensitization of the public on free primary education, which was prompted by less involvement of the parents and stakeholders in the management of free primary education funds.

The study also established that the free primary education funds disbursed to schools were inadequate, especially the vote heads of co-curricular activities, light and water, thus, affected the management of the funds. It also emerged from the study, that the Head teachers and Deputy Head teachers most often were involved in conflicts with the parents on issues related to procurement of materials and this interfered with the management of the free primary education funds.

5.4 Recommendations

The study recommends the following:

The Ministry of Education to review its policies related to the disbursement of funds to primary schools for the purpose of ensuring consistent and timely disbursement of Free Primary Education funds. The government should avail funds to Schools at the beginning of the year to enable school managers to plan a head. The Ministry of Education should also consider increasing the allocations of funds per pupil for the enhancement of the quality of free primary education. That the allocation for individual vote heads be increased. Government should also consider increasing the funds meant for the co-curricular activities.

The Ministry of Education should consider organizing regular trainings for Fund managers to ensure standardization and quality of financial reporting for accountability and transparency. It is therefore imperative that the school management is trained on financial management to minimize difficulties in financial management.

Schools should be facilitated and empowered to employ qualified accounting personnel for better accounting for the FPE funds disbursed to the schools (FPE Accountants / Accounts clerks). The government and/or the parents should also employ accounts clerks in Primary schools to assist the head teachers in book keeping.

The Ministry of Education should consider strengthening its monitoring and evaluation system by introducing additional internal checks and controls. The study also recommends that Impromptu visits to be made to the schools for Monitoring and Evaluation activities beside the school audits. Institutional capacity assessments and baseline surveys are to be carried out regularly by the Ministry of Education so that quicker remedial action can be done to support the implementation of a sound management system.

All concerned stakeholders such as parents and the local community to be sensitized through the Ministry on the aspect owning the Free Primary Education Programme and getting involved through activities such as voluntary contributions. Further sensitization of the public on free primary education should also be carried out to ensure more support from the parents and other stakeholders.

Schools heads should also ensure that, their School Management Committees (SMC) are actively involved in defining the schools annual spending priorities and procurement plans. Community involvement is considered to be central to the success of decentralized procurement policies, which form part of the community empowerment process. This will reduce the conflicts often witnessed between parents and the head teachers.

5.5 Suggestions for further research

The study recommends the following further research studies

1. A study on the assessment of the role played by parents in the implementation of Free Primary Education programme in public schools in Nakuru Municipality to be undertaken.
2. An examination of the financial management system used in the management of Free Primary Education (FPE) in public primary schools in Nakuru Municipality to be considered.
3. An examination of the FPE vote heads on the effectiveness of FPE programmes in primary schools in Nakuru to be undertaken.
4. A study to determine the challenges faced by the Fund Managers in the management of the Free Primary Education (FPE) funds to be done.
5. A study on the level of education influencing management of free primary education funds and whether there should be a review of appointment.
6. A study to investigate if school management committee accounts for the money given in school and if the accounts are published in the annual reports.

5.6 Contribution to knowledge

This section presents the study's contribution to existing knowledge in Table 5.1

Table 5.1 Contribution to knowledge

<i>No.</i>	<i>Objectives</i>	<i>Contribution to knowledge</i>
1	To establish whether the institutional innovations at school levels influence management of Free Primary Education funds in Nakuru Municipality.	<ul style="list-style-type: none"> • Institutional innovations at school levels influence management of Free Primary Education funds • There was very little evidence of institutional innovations in primary schools within Nakuru Municipality
2	To examine the Knowledge levels of financial managers in the management of Free Primary Education funds in Nakuru Municipality.	The level of financial management amongst the Fund Managers in primary schools within Nakuru Municipality is low (insufficient) as evidenced by the appeal of fund managers to be allowed to employ accounting staff.
3	To establish challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality.	<ul style="list-style-type: none"> • The main challenges facing Fund Managers in managing Free Primary Education funds in Nakuru Municipality include low level of knowledge in financial management , inadequate funding and delayed disbursement • A system should also be established where incase of misappropriation of funds in the school, all the members of the management committees will be held accountable instead of punishing the head teacher alone.
4	To assess measures that have been put in place to overcome the factors affecting management of Free Primary Education funds in Nakuru Municipality.	Sensitization campaigns to parents in support / supplementing the FPE funds; involvement in income generating activities to supplement FPE were the main measures adopted by schools to overcome the factors affecting management of Free Primary Education funds in Nakuru Municipality.

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APPENDICES

Appendix 1

The letter to Municipal Education Officer requesting for permission to carry out research

**MUNICIPAL EDUCATION OFFICER,
P.O. BOX 124,
NAKURU.**

Dear Madam,

**RE: REQUEST TO COLLECT INFORMATION FROM PUBLIC SCHOOLS ON
MANAGEMENT OF FPE FUNDS.**

Referring to the above mentioned, am requesting for permission from your office to allow me collect information from a few sampled public schools from the Municipality.

The project area of study is on management of Free Primary Education funds in public primary schools within the municipality. Research population will cover the following schools according to the environment in which they are situated; Central Zone schools are St Xavier, Kenyatta and Lakeview .Eastern Zone schools are Menengai, Jamhuri and Lion Hill. Western Zone schools are Harambee Khalsa, Koinange and Kaptembwo. Northern Zone schools include Moi, St Johns and Milimani. Southern Zone schools include MamaNgina, Langalanga and Heshima.

I need this information for a paper I want to submit to the University for the Partial Fulfillment of the requirements for the Degree of Masters of Arts in project planning and management at the University of Nairobi. The information given will be used only for the intended purpose and not in any other way and will be considered confidential. The information given will highly assist the Government in shaping the FPE funds management at school level. Any help given by your office will be highly appreciated. Thank you

Yours sincerely,

**Rose Okumu
P.O.Box 10109,
Nakuru
Telephone: 0722616398**

Appendix 2

The letter to the Head Teacher requesting to collect information on FPE management

The Head Teacher

_____ Primary,

Nakuru.

Dear Sir/Madam,

RE: REQUEST TO COLLECT INFORMATION ON MANAGEMENT OF FPE FUNDS

My name is Rose Okumu, an Education Officer in Municipal Education Office Nakuru Municipality. I take an active interest on Management of Free Primary Education funds as my project area. I am pursuing Masters Degree in Project Planning and Management at the University of Nairobi.

The information you will give on the management of FPE funds will highly assist the Government in shaping the FPE funds management at school level. The information you will give will be considered confidential and also will be kept anonymous.

I need this paper for partial fulfillment of the requirements for the Degree of Masters of Arts in Project Planning and Management. Your consideration will be highly appreciated.

Yours sincerely,

Rose Okumu,

P.O.Box 10109,

Nakuru.

Telephone: 0722616398

Appendix 3

Questionnaires for the Head Teacher

Section 1 (Personal Information)

1. Please give the most appropriate information about yourself: Tick where applicable []

Your gender: Male [] Female []

2. What is the name of the school you are managing? _____

3. For how long (years) have you been in this school?

1-5 [] 6-10 [] 10 and above []

4. Your age (years)

Less than 30 [] 31-40 [] 41-50 [] More than 50 []

5. Your highest level of Education

KCPE [] KCSE [] Diploma [] Degree [] Masters Degree []

Section 2: (Specific information about the school)

6. What is the enrolment of the school? _____

7. What is the total number of teachers in the school? _____

8. What is the teacher pupil ratio? _____

9. What types of classrooms are within the school?

Permanent [] Semi-permanent [] Temporary []

10. What is the condition of the classrooms within the school?

Very good [] Good [] Fair [] Bad [] Worse []

11. State the catchment area of the school

High class [] Middle class [] Low class []

Section 3: (FPE funds SIMBA Accounts) Account 1

12. What is the total amount received in A/C 1 since 2003 to date?
Ksh.s.....

13. Has the school missed any disbursement in A/C 1? If yes, specify.

Section 4: (FPE GPA Account) Account2

14. What is the total amount received in A/C 2 since 2003 to date Ksh.s

15. Has the school missed any disbursement in A/C 2? If yes, specify.

Section 5: INSTRUCTIONAL MATERIALS MANAGEMENT

16. The following statements relate to specific information about your school. *Please indicate using the key below, to what extent you agree with them.*

- | | | | |
|----------------|-----|-------------------|-----|
| Strongly Agree | [5] | Disagree | [2] |
| Agree | [4] | Strongly Disagree | [1] |
| Neutral | [3] | | |

	5	4	3	2	1
The school has a training programme on funds management					
The school correctly maintains a School Instructional Materials Stock Receipt Register					
The school maintains proper books of account (a cash book for Instructional Materials Account 1)					
The cash book for GPA is correctly maintained					
The school expenditures are guided by a school budget prepared by SMC					
There is an effective approvals and authorization system in place.					
The school accounts expenditure charts are displayed strategically (latest status of FPE funds)					

17. The following reasons influence the maintenance of proper FPE accounts. *Please indicate using the key below, to what extent you agree with them.*

- | | | | |
|----------------|-----|-------------------|-----|
| Strongly Agree | [5] | Disagree | [2] |
| Agree | [4] | Strongly Disagree | [1] |
| Neutral | [3] | | |

	5	4	3	2	1
There is lack sufficient of financial management knowledge					
Misplacement of essential documents such as minute books.					
It is not important to keep the books					
There is interference from external forces					
The school expenditures are guided by a school budget prepared by SMC					
There is an effective approvals and authorization system in place.					
The school accounts expenditure charts are displayed strategically					

18. Have you been trained for financial management at any level?

Yes [] No []

19. If yes, what type of management training have you undertaken?

.....

20. When were you trained lastly?

1-3months [] 3-6 months [] 1year [] 2years and above []

21. What challenges are experienced by Fund Managers in the management of FPE at your school?

- i.
- ii.
- iii.
- iv.

22. In your opinion, what measures do you think should be put in place to enhance the management of Free Primary Education funds in your school?

- i.
- ii.
- iii.
- iv.

Thank you

Appendix 4

Interview Questionnaire - Chairman of the SMC

To SMC Chairman,

My name is Rose Okumu, holder of Identity card number 5599698, I am an Education Officer within Nakuru Municipality working at Town Hall in Municipal Education Office. I take an active interest on Management of Free Primary Education funds. I am undertaking Masters Degree in Project Planning and Management at the University of Nairobi. The information you will give in this questionnaire will highly assist the Government in shaping the FPE funds management at the school level. The information you will give will be considered confidential and also will be kept anonymous. I need this paper for partial fulfillment of the requirements for the Degree of Masters of Arts in Project Planning and Management.

This questionnaire has 2 sections

Section 1 will seek personal information of the respondent.

Section 2 will gather data on management of Free Primary Education funds at school level.

Section 1 (Personal information)

1. Your gender: Male Female

2. What is the name of the school you are chairing as an SMC member? _____

3. For how long have you been the chairman in this school?

1-5 6-10 10 and above

4. Your age (years)

Less than 30 31-40 41-50 50 and above

1. Your highest level of Education

KCPE KCSE Diploma Degree Masters

Section 2: (Specific information about school)

1. How many members are on your School Management Committee? _____

2. How often does the SMC meet?

Once a month [] Once per term [] Once a year []

When required (When funds arrive, when books arrive) [] others (specify)

3. How often have you been elected as a member?

1-3 [] 4-6 [] 7-8 [] More than 8 times []

4. The following statements relate to specific information about your school. *Please indicate using the key below, to what extent you agree with them.*

Strongly Agree [5] Disagree [2]

Agree [4] Strongly Disagree [1]

Neutral [3]

	5	4	3	2	1
The school has a training programme on funds management					
The school maintains proper books of account					
The school expenditures are guided by a school budget prepared by SMC					
There is an effective approvals and authorization system in place.					
The school accounts expenditure charts are displayed strategically					

5. Have you been trained on management of school funds?

Yes [] No []

6. If yes, please state below, the type of management training you underwent

.....

7. Please indicate when you were last trained in financial management?

- | | | | |
|------------------|-----|-------------------|-----|
| Below 1 year ago | [] | 3 - 4 years ago | [] |
| 1 - 2 years ago | [] | 4 years and above | [] |

8. How often are you trained in financial management?

- Monthly interval []
- Quarter yearly interval []
- Bi annual interval []
- Annually []
- Any other specify.....

9. In your opinion, what measures do you think should be put in place to enhance the management of Free Primary Education funds in your school?

- i.
- ii.
- iii.
- iv.

Thank you

Appendix 5

Interview Schedule for the Deputy Head Teachers

1. Please provide the following information regarding the Free Primary Education Funds operations in your school

2. Name of School..... (Optional)

3. How long have you been the secretary of the School Instructional Materials Selection Committee (SIMSC)?.....

4. Has the school missed any disbursement in account 1 (SIMBA) since 2003 to date?
.....
5. If yes, Specify.....

6. What plans have been put in place to supplement free primary education funds?
 - i.
 - ii.
 - iii.
 - iv.
 - v.

THANK YOU

Appendix 6

List of Public Primary Schools in Nakuru Municipality

1. FLAMINGO
2. ST. MARY'S
3. ST. JOSEPH'S
4. KENYATTA
5. KARIBA ROAD
6. BAHARINI
7. ST. XAVIERS
8. ST. PAUL'S
9. LAKEVIEW
10. KALOLENI
11. ST. THERESA'S
12. MOI
13. HYRAX
14. LANET
15. NAKURU EAST
16. MLIMANI
17. ST. JOHN'S
18. PRISON'S
19. NAKURU TEACHERS
20. LENANA
21. MAMANGINA
22. LANGALANGA
23. HESHIMA
24. MOGOON
25. MWARIKI
26. RACETRACK
27. KIMATHI
28. BARUT
29. INGOBOR
30. KIPTENDEN
31. KELELWET
32. PARKVIEW
33. KIGONOR
34. KAPTEMBWO
35. NAKURU WEST
36. MUSLIM
37. FREEHOLD
38. HARAMBEE KHALSA
39. EILEEN NGOCHOCH
40. UHURU
41. UMOJA
42. KOINANGE
43. KIBOWEN KOMEN
44. PANGANI
45. NAIROBI ROAD
46. RHINO
47. NAKA
48. JAMHURI
49. MENENGAI
50. NAKURU
51. NDIMU
52. MIRUGI KARIUKI
53. MADARAKA
54. CRATER
55. MBURU GICHUA
56. LIONHILL
57. KISULISULI
58. BONDENI

Source: Municipal Education Offices