

EFFECTS OF FINANCIAL BUDGETING IN THE MANAGEMENT OF PUBLIC SECONDARY SCHOOLS IN URIRI SUB-COUNTY, MIGORI COUNTY, KENYA

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ABSTRACT

The purpose of this study was to investigate the challenges faced by the Board of Management in the management of public secondary schools in Uriri Sub-county, Migori County, Kenya. Objective of the article was to determine the effects of Financial Budgeting in the Management of Public Secondary Schools in Uriri Sub-County, Migori County, Kenya. The research question was; what are the effects of Financial Budgeting in the Management of Public Secondary Schools in Uriri Sub-County, Migori County, Kenya? The study employed survey design. The study population included all head teachers, all PTA chairpersons and all BOM members in the 18 public secondary schools. Purposive sampling was employed in the study. The sample therefore comprised of 16 principals, 16 PTA chairpersons and 64 BOM members. Data was collected by use of questionnaires and interview guide. Four of the schools outside the study area was used in piloting the study to act as pre-test to the instruments of data collection to ensure their reliability. Face validity of the instruments was determined by three experts in the department of Educational Leadership and Policy Studies, Rongo University College and the impressions on the instruments improved based on the supervisors' advice before using them for data collection. Quantitative data was analyzed by use of descriptive statistics in form of frequency counts, percentages. Statistical Package for Social Science (SPSS) software was used for data analysis. Findings revealed that there was a problem in cooperation among the members caused by lack of team work and financial knowledge which was 51 (85.0%). It was recommended that the BOM members should be involved in regular financial training and budgeting.

Keywords: Kenya, Principals, Board Management, Finance, Budgeting, schools management

INTRODUCTION

School management has done great work over the past years all over the world. Studies done by Beatie (1985), traces the school management Boards to a period as early as between (1870) and 1902. She observed that schools were under the management of a patchwork of elected school boards, more so, Board of Governors or managers often managed individual schools. According to Beket (1998) it was noted that in Britain, the school governors are nearly as old as the country democracy. Governors, who are currently being referred to as managers, therefore, serve various purposes in schools, such as representing parents, staff, community and church interests within the school. In Kenya, the Education Act (1968), Cap 211 laws of Kenya, section 10, gave rise to the establishment of Board of Management for any maintained or assisted schools, other than a primary school and maintained by a local

authority. Therefore, the Act in essence paved the way for the establishment of school boards for secondary schools, teacher colleges, polytechnics, institutions of technology except universities. BOMs were established to manage public secondary schools on behalf of the government. The Act came up with regulations to be used by the Board of Governors to ensure smooth running of the schools, therefore effective teaching and learning. The BOM was to act as a check and balance to the powers of the principals, teachers and the BOM itself and this ensures smooth running of the school (The Education Act Cap211, Okumbe (2001). The Gachathi Committee Report (Republic of Kenya, 1976) endorsed that secondary schools be run by BOG and given a larger degree of delegation in order to enhance effective management of schools, especially the need to maintain discipline. The Kenya Report (Republic of Kenya, 1988) saw the establishment of BOM by the government as a noble intention to decentralize the day to day management of educational institutions to the boards and head teachers. It further acknowledged that the role played by the BOM in the management of educational institutions was crucial and therefore, boards should be appointed on time and members carefully selected to ensure that the board had committed members. Thus the management of secondary schools and all aspects of school administration are vested on the BOM. The BOM consists of 13 members appointed by the Minister (Republic of Kenya, 1980; Ali; 2005) through a selected committee comprising of provincial administration, local leaders, and members of parliament and local councilors, sponsors, local education officer and the head teacher. This committee selects three persons representing local community, 4 representing bodies and organizations like sponsor and 3 representing special interest groups. Once officially appointed by the minister, the ten members select the chairperson / the chairman of the board and co-opt 3 other persons from the Parents Teachers Association (PTA) into the board (Opot, 2006).

Members of Board of Governors and school committee are appointed from among persons who have qualities of commitment, competence and experience which would enhance the management and development of educational institutions (MOEST, 1988). The head teacher of every secondary school is a member and a secretary of the board. He reports and is accountable to the board (World Bank, 2008). Quality of leadership provided by the head teachers strongly influence the capacity of school to improve a teaching and learning which results into good performance(World Bank, 2008). Secondary school heads are experienced teachers/ principals selected on the basis of their seniority (Mulkeen, 2005). They manage at least three different aspects of school life including academics, finances and general administration. They are part of the BOMs and have an influence on the appointment of members of the BOM. Kindiki, (2009), indicated that many school head teachers often emphasize the selection of less educated BOM members who will rarely question their ineptitude in running of school. Thus, rather than selecting more qualified BOM members they end up selecting close relatives or less qualified members of the BOM. This anomaly confirms the Kenyan report of task force of student unrest in schools which pointed out the poor educational background of BOMs as a factor towards the unrest (MOEST, 2001).

As indicated by Kindiki (2009), in financial management and budgeting age and experience is also mentioned as another challenge considered alongside academic qualifications that face members of most BOMs. Data showed that many BOGs were new in the school hence need to familiarize themselves with the tradition of the school and the management task expected of them (Otieno (2013). Another challenge that is facing the BOMs in their daily management of secondary schools is the issue of school sponsor. According to the Education Act, a school sponsor is allowed to nominate four (4) of the thirteen members of the school Board of Management and to propose the chairman who is to be ratified by the Ministry

(Republic of Kenya, 2004). This organ champions the sponsors interest in school management. The Act allows for an agreement to be made between the Ministry of Education and the sponsoring churches as regards the rights and responsibility of the church sponsor in management of schools in Kenya (Banr, 1990). This affects the management of public schools where churches that were managers of schools before became sponsors of such schools (Wachira and Kigotho, 2007). The word is first used in section 8(1) of the Education Act, in relation to schools formerly managed by a church which were transferred to a local authority. Here, the local authority was empowered to appoint the former church manager a sponsor if the community served by the school wished the religious traditions of that school to be respected.

In section 11 of the Education Act, the voluntary organization that is the founder of the school is given the right to nominate four persons to champion the sponsor's interests in the School Board of Governors, if the school is on the second schedule. According to the Ministry of Education (Republic of Kenya, 2004), the BOMs Order amplifies section 11 which allows the sponsor to propose the chairman of the school Board who should be ratified by the Ministry of Education. The Education Act also allows the sponsor to prepare and recommend for approval by the Ministry the learning resources for religious education in sponsored schools.

According to Mabeya (2009) several findings have supported the idea that church sponsor's expectation on teachers and students in church sponsored schools have an impact on academic performance. Although, the BOMs are legally mandated by the Ministry of Education Act Cap 211 to manage secondary schools in Kenya, their immediate role has not been defined in the law and there are no standards that have been adopted to measure their effectiveness (Ojera and Yambo (2014). This lack of definite role coupled with other challenges discussed above is responsible for low or poor performance in many secondary schools. Several studies have been done in other Districts such as Keiyo (Kindiki, 2009) but not in Uriri Sub-county (Republic of Kenya 2012). Therefore, this study aims at identifying the major and minor challenges faced by BOMs in their management of secondary schools in Uriri Sub-county, an administration region in Kenya.

Statement of the problem

Financial budgeting of secondary schools largely depend on the ability and capacity of management of that schools' Board of managers. The school board as managers, have specific roles that they should perform as spelt out by the M.O.E despite the challenges they face. Various commissions like Gachathi Report (1976), Kamunge Report (1988) and Koech Report (1999) had recognized their roles in financial management. A lot of researches have been done on various areas pertaining to budgeting of secondary schools finance in the larger Uriri District, now a sub-county. Such issues as financial training, budgeting and strategic planning among others, have been captured but nothing has been done in the area of school financial budgeting in in the Sub-county (Republic of Kenya 2012). It is for this reason that the researcher seeks to undertaken the study to find out challenges faced by board of governors in the effects of financial budgeting in the management of Public Secondary Schools secondary schools in Uriri sub-county.

Financial Budgeting in the Management of Public Secondary Schools

Principals are chief custodians of school finances and are instrumental in the implementation of approved budgets. Studies done by Motsamai, Lynette and Corene (2011) found that in Mafeteng, as in all other districts of Lesotho, principals have to administer and manage their schools. Among other things, principals have to carry out the financial management of their schools. According to Section 21 of the *Education Act of 2010* (MOET 2010), the principal is the chief accounting officer of the school and is responsible to the management committee or school board for the control and use of school funds; “shall maintain or cause records of income and expenditure of the school to be maintained; shall prepare an annual budget for a school and submit it to the school board for its approval; and shall within three months of the end of each school year, submit a financial statement of the school to the school board for its approval. A school’s financial management is the execution by a person in a position of authority of those management actions (regulated tasks) connected with the financial aspects of schools and having the sole purpose of achieving effective education” (Collins, 2013: 75). Similarly, in Kenya, the work of Ojera and Yambo (2014) describe a school’s financial management as the performance of management actions connected with the financial aspects of a school for the achievement of effective education. The common factor in these definitions of financial management is that a connection is made between the management tasks and the financial aspects of a school. Moreover, according to Yambo, Odhiambo & Odera (2014), the implication is that the management of school finances involves the task of planning (budgeting), organizing (coordinating), leading (communicating and motivating), as well as controlling (auditing). These authors are also in accord that a school’s financial management is imperative because it enables the school to achieve effective education especially when the school budget is effectively implemented. Ensure active participation of BOM in resource mobilization. They should jointly request for the allocation of funds and budget for infrastructure to realize conducive learning environment. In this regard, the joint partnership with the private NGOs, Constituency Development Fund (CDF) and other stakeholders is prudent. This suggestion is also in line with the provisions of the Basic Education Act 2013 which stipulates that one of the functions of BOM is to ensure provision of proper and adequate physical facilities and accountability of collected funds for the institution (Republic of Kenya, 2013).

METHODOLOGY

Research by Kothari (2005) asserts that survey design was used since it is widely acknowledged as an appropriate strategy for capturing the opinions, perceptions and attitudes of people about events and above all it can be used to generalize findings. The researcher used both simple random sampling and purposeful sampling during the study. Uriri sub-county has 18 public secondary schools of which 16 secondary schools will be the target. According to Best and Kahn (2006) the point out that the bigger the sample the better, so out of 18 sec schools which include day and boarding, the 6 boarding schools and 10 day schools will be taken for study. The sample therefore comprised of 16 principals, 16 PTA chairpersons and 64 BOM members. This study employed the use of questionnaires for head teachers and interview guides for PTA chair persons and BOM members. A pilot test was used to test validity of the instruments in the schools that are not project schools in the same area to discover weaknesses, inadequacies, ambiguities among other problems associated with data collection. Interview schedule was tested on six BOM during pilot testing, two PTA chairmen whereas two principals were involved in the pilot testing of the questionnaire. The findings from the pilot study helped to improve the final instruments and to remove

ambiguity. The analyzed data results were presented using frequencies; means, percentage and presentation were done by use of pie charts bar graphs and frequency table.

RESULTS AND DISCUSSIONS

The study also sought to establish the financial management challenges that the BOM faced in the schools. The BOM for example were asked to indicate how they sourced for funds. Data was presented in Table 1.

Table 1 BOM responses on the sources of funds

Ways of sourcing	F	%
Fund raising	9	15.0
Parents contribution	9	15.0
From donors	19	31.7
Individual contributions	23	38.3
Total	60	100.0

Data indicated that the BOM sourced funds from fund raising, parental contribution, donors and individual contributions. Asked to indicate the challenges they faced in sourcing of funds, data revealed that there was poor attitude by the parents, minimum attendance of fund raising, low income from the community and lack of accountability. These findings indicate that the BOMs faced challenges in financial administration for individual contributions was 38.3%. this was supported by Motsamai et al. (2011) when they emphasized that individual donations can boost the government contributions. The BOM members were also asked to indicate the criteria used in selecting suitable bidders for tendering. Their responses are presented in Table 4.13.

Table 2. Criteria for selecting suitable bidders for tendering

Tendering criteria	F	%
Tendering through posters	22	36.7
Supplies fill forms	19	31.7
Consider prices and quality	19	31.7
Total	60	100.0

Data showed that tendering was done through posters as indicated by 22 (36.7%), through supplies fill form and also in consideration of prices and quality. They were also asked whether they faced challenges in tendering. Data revealed that majority 51 (85.0%) faced challenges against 9 (15%) who did not face any challenge in tendering. Asked whether the BOM solicited for grants donations and bursaries, data showed that they did. Asked to explain, the headteachers responded that the secretary responds to the advertisements from governments as noted by 11 (73.3%) and also by application for grants formally as indicated so by 4 (26.7%). The headteachers were further asked to state how the BOM ensured that there was viable income generating activities in the school. In this item the headteacher responded that they created policies inviting donors and also organized (*harambees*) fundraisings.

The headteachers were further asked to indicate the challenges faced by the BOM as they carried out their duties. All the headteachers indicated that it was time consuming being a board member. Asked whether the BOMs were competent in financial management, the

headteachers indicated that they were. Asked to state the challenges that they faced data showed that there was a problem in cooperation among the members cause by lack of team work, financial knowledge which was 51 (85.0%). This was in line with Otieno (2013) who postulated that in-service training for leaders is imperative even in decision making.

The PTA chairpersons were asked to rate the performance of the BOM in financial management or sourcing of funds. Data revealed that majority of them rated them as average as noted by 8 (57.1%). They were also asked to rate the BOM in tendering of goods. Data showed that they were average as indicated by 6 (42.9%). The BOMs were also rated as average in collection of school fees as was noted by 8 (57.1%). They were however rated as good in the management of funds, this concurs with the sentiments of Yambo et al. (2014).

FINDINGS

Findings on the effects of financial budgeting on management of schools have revealed that the BOM sourced funds from fund raising, parental contribution, donors and individual contributions. It has also been established that the BOMs faced challenges in financial administration. Most of the PTA chairpersons rated the BOM members average in financial management and budgeting.

RECOMMENDATIONS

Based on the findings of the study, it was recommended that the BOM members should be involved in regular financial training and budgeting to overcome the ever increasing economic challenges.

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