

## **Bursaries and School Fees Revenue Streams and Its Influence on the Performance of Public Secondary Schools in Kenya**

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### **Abstract**

#### **Purpose**

*The discourse of the financial policy in education ought to be influenced by its efficacy. Incidences of overt government financing for education alias free education have been on the rise in parts of Africa, especially Kenya and Malawi. This trend has been motivated mainly by the expectation that shifting the financing burden from households would encourage parents to take their children to school. The obsession with higher enrolments has led to almost a complete disregard of the role of fiscal policy on student performance, far beyond enrolments. We conducted a study to examine the influence of bursary-based revenue streams on the performance of public secondary schools in the North Rift Region of Kenya.*

#### **Methodology**

*A survey of 322 respondents from 278 public secondary schools in Nandi and Uasin Gishu Counties was conducted. Self-administered questionnaires and interview schedules were used to collect quantitative and qualitative data. The questionnaire was validated through panel review, piloting, and exploratory factor analysis. Data were analyzed through regression analysis to establish whether the funding mechanism of a school influence the performance trend of learners.*

#### **Findings**

*The results show that financial policy does influence the performance of educational institutions. The school management should encourage the parents/guardians to honor their agreement so as to avoid bad debts accruing. The stakeholders involved in the allocation of bursaries to public secondary schools should ensure that it is allocated on time.*

#### **Implications**

*The outcomes of this study could be used to enhance the funding mechanism and policy of the national government to ensure that the school finances are availed in time to avoid the negative effect on student performance.*

#### **Originality/Value**

*This study extends the published literature concerning external factors that influence student performance, which is important for reducing the performance burden on students.*

**Keywords:** *student performance, bursaries, school fees, funding mechanism*

## **BACKGROUND**

### **1.1 Introduction**

The effects and impact of funding attracts research because of the crucial role education plays in the society. A study to elucidate on this should be of importance to policy makers and other stakeholders. Performance of educational institutions varies greatly in different regions. Educational institutions in the USA, have some of the highest level of public investments. This in turn has greatly improved school performance over the years (Goldhaber, 2018). These educational institutions compete for public funds with other sectors such as the public health, social services, and defense. As a result, educational institutions in the United States have increased their competences to allow them to compete globally. European Union has designed financial policies to support national education systems and address common challenges. In addition, EU countries have an education policy framework through which the member nations learn from each other through the exchanges and adoption of best practices, to improve efficiency of learning and training (Pedaste 2019) Turkey's educational policy has focused greatly on enhancing its education sector. The country is focused on developing its quality of education and has been investing considerably in the sector. The National Education Ministry's budget has increased since the ruling Justice and Development Party came to power in 2002 (Kose & Ozturk, 2018). To ensure equal and fair access to education opportunities, institutions avail scholarship opportunities for students, especially to those who lack financial resources. In addition, the Turkish government has ensured there are enough textbooks and other resources in schools. Students and teachers have access to learning resources such as tablets and smart boards. This has led to improve quality in education and high performance in schools (Kose and Ozturk, (2018).

In Africa, there has been general improvement in the education standards, but performance of educational institutions is still a challenge (Conn, 2017). In Kenya, the government implemented free education in 2003 with a pledge to pay KES 1,420 per child in fees. By 2022, two decades later, the challenges facing the free education were still apparent. The sector is still littered with inequity especially among marginalized groups, dropping out, dropping primary-secondary transition among others. Some of the marginalized areas continue to grapple with acute shortage of essential resources to this day (KNUT, 2019). Free education has led to overcrowding of schools with the situation aggravated with inadequate number of teachers and insufficient number classrooms (KNUT, 2019). This of course has a bearing on the learning process and could negatively affect quality. This is further exacerbated by lack of adequate study resources and experienced educators, and lack of sufficient funding hence lagging others in educational outcomes (GoK, 2016).

Government funding notwithstanding, schools continue to rely heavily on parents-sourced school fees and bursary arrangement from local governments and minimalities (KNUT, 2019). Financial resources are crucial in the development and performance of institutions (Munge, Kimani & Ngugi, 2016). Fung (2015) highlights the dependency of the educational sector on funding initiatives in place. People charged with planning the budget should be intentional in providing sufficient resources to institutions (Sharma, 2011).

There are seven counties in the North Rift region. These are Baringo County, Turkana County, Samburu County, West Pokot, Transoia County, Elgeiyo Marakwet County, Uasin Gishu County and Nandi County. The most developed of the seven counties are Uasin Gishu and Nandi Counties. The two counties are peaceful and very productive economically. The other five counties hardship areas and are prone to cattle rustling and persistent drought and hardship areas.

Despite the immense economic development and relative peace, between 2014 -2020, examination performance in both Nandi and Uasin Gishu shows a downward trend. The counties have twelve constituencies. The two were initially districts of the Rift Valley Province in Kenya. Learners falling in the secondary school age-group were 59,004 as per census report of 2009 and were estimated to have increased to 72,207 as at 2013. Nandi County has 155 public secondary schools with a population of 31,429. It has a high absolute poverty level of 64.15% (Republic of Kenya, 2015). Secondary education performance is significantly low in the public schools. The performance trend in K.C.S.E had seen the scores averaging between C<sup>-</sup> and D<sup>+</sup>, which worked to a mean score of about 5.8.

## **1.2 Problem Statement**

There has been an increase in the assessment of factors influencing student performance as policy makers strive to enhance educational outcomes. However, little has been published to guide on whether the funding policy of a school affects student performance. Especially in the case of Kenya where schools are either funded by households through fees, bursaries from municipal and constituency arrangements, or direct funding through the ministry of education. This necessitate a study to guide policy makers on which funding mechanism is most effective based on whether it can account for performance differences among students in different schools. This study sought to determine the influence of school fees and bursaries revenue stream on performance of public selected secondary schools. Study outcomes would assist students, tutors, and guardians to act well to address poor academic performance in Nandi and Uasin Gishu Counties. Also, good ways to raise education achievements around. Education policy makers will formulate frameworks via the outcomes. The knowledge pool will be enhanced too by new literature. The information could result in action to make the management of the bursary scheme to be more effective and efficient. The study could trigger further examination to other government devolved funds such as Roads Fund, CDF and LAFT, as some of the challenges facing Secondary Education Bursary Scheme may also be facing other devolved funds.

## **LITERATURE REVIEW**

### **2.1 Theoretical Review**

This study was guided by two theories namely the resource-based view theory and the contingency theory.

#### *Resource-Based View Theory*

Resource Based View (RBV) by Penrose (1959) holds that a firm's performance is gained when resources are in check. RBV suggests that an institution's strategy and performance differ according to the heterogeneity of its resources (Kafouros and Buckley, 2008). Collini and Montgomery (1998), clarify that resources should be unique to achieve the dominance level. Barney, Wright, and Ketchen (2001) point out that inputs are intangible and unseen resources are properties of a firm. The specific mix of resources determines the output associated with the field in which the institution is placed. This alludes to a competitive advantage gained from the onset. Cohen, West, and Aiken (2003) provide the role of resources for a learning organization: They highlight the importance of financial and human resources to enable firms to meet expectations. To gain learning there must be an appropriate resource for continued progress. The Resource Based View is used to focus on the deployment of the resources in secondary schools to have a favorable institutional environment. Learning resources include textbooks, and writing materials among others.

### *The Contingency Theory*

According to Tarter (1998), the efficiency levels of allocation of the capital is not just a matter of putting in place the proper techniques, technologies, and good procedures, it is also critical to consider the context, design, and operationalization of the capital budgeting system. The contingency theory is relevant in institutional management and is used to frame efficiency improvement standards in institutions. The theory classifies contingent variables into four main classes, namely, attributes of the institution, user characteristics, and environmental factors as well as societal variables. These four variables enable proficiency of any organization. According to Schwekart (1992), the levels of accounting systems in institutions differ. With regards to institutions, the other factors such as the user characteristics and its internal attributes to resource apportionment come in to play and determine the performance of the institutions. The other relevance of this theory is that it helps the institutions to devise strategies for using the available resources to enhance performance.

### **2.2 Empirical Review**

Lemmermann and Riphahn (2016) studied the effects of school fees on educational attainment in West German secondary schools. Aiming to obtain approximate elasticity of upper secondary prices. Individual data was considered from German Mikrozensus surveys. The conclusion was that academic accomplishment rose by eight percent in cases where there was school fee elimination. Female students appeared more responsive to fee adjustments than male learners. Kipeen et al (2018) studied influence of school finance allocation on implementation of Free Day Secondary Education Policy in Public Secondary Schools in Narok North Sub County, Kenya. Feedback collected through questionnaires included abolishing school fees payable by parents for secondary education to improve access. In addition, special levies would be introduced to fund education.

Sisungu, Kaberia and Buhere (2014) investigated the influence of school fees revenue stream on performance of public secondary schools in Mumias, Kenya. The research revealed that 46 percent of learners were often sent home for fees, which affected performance. Fees settlement had most school's payment rate ranging between 50 and 75 percent. Moreover, less schools collected below 50 percent of fees which was an indicator of a lack of funds. This financial situation was found to negatively impact the performance of the said institutions.

Wanjala and Ali (2017) investigated the impact of implementing a subsidized fee program on students' access to quality education in public secondary schools in Wajir County. The study applied a descriptive research design with a target population of 350 and a sample size of 94. It was concluded that the subsidized fee initiative didn't meet the intended outcome since funds were required to run institutions and delays were experienced. To achieve enriched education fees should be received on time

Morogo, Kiprop, and Too (2018), investigated the effects of non-payment of school levies by parents on service delivery in selected public secondary schools, in Ainabkoi Sub-County of Uasin Gishu County. Interview outcomes point out that non-settlement of school fees by guardians affected school programs and projects. Their analysis showed that close to all schools with unpaid fees since 2012 to 2014 had high levels of learner interruptions which is a danger to school's performance hence a call for fee payment regulations

Wambui (2016) investigated the effect of user charges on participation among students in secondary education in Kitui County, Kenya. Schools studied levied had unpaid charges for books and other

learning items. The study established that 16 percent of learners missed school due to non-payment of fees and the tutors were concerned how the absentia deteriorated the performance. Assumptions were that fee charges impacted the performance hence financing by the government is relevant.

Menya (2015) studied the effectiveness of tuition fee waivers in reducing educational wastage in day secondary schools in Kisumu West Sub-County. Questionnaires were used for data collection. The findings showed that fee waivers reduced school drop-out rates thus better learning experiences. Tutors were considerate to accommodate learners who had not paid and sourced for other donors on their behalf. A highlight was that it is imperative for the timely release of school finances.

The existing body of literature shows that many governments have introduced education subsidies in secondary schools, Gura (2015). In Kenya, there is little evidence of whether the government fee grant is realizing its goals. Further, there is no study that has been conducted on fees subsidy in public schools. This study, therefore, sought to establish the influence of school fees revenue stream on the performance of the public secondary school.

Dearden, Fitzsimons, and Wyness (2014), investigated the effect of the reform on students' participation in higher education in the United Kingdom. This research reported a constructive outcome for the grants program, with an additional £1000 resulting in 3.95percent higher education involvement. This shows that financial aid increases enrolment in schools, thus more students are able to access education.

A study by Lin (2016) examined the effects of financial aid policies on student performance between the first and second year at a private four-year postsecondary institution in Taiwan-China. A two-phase sequential explanatory study design was applied. The study found out that progressive financial aid policies greatly improved students' performance. The study identified other factors which affected the performance of students which included college work, and social aspects, and guardians support. The study highlighted the availability of financial aid as one of the main determinants of students' performance in education. This implies that governments and other stakeholders should devote themselves in providing financial aid to needy students.

In a study by Mwanza (2013) Constituency Development Fund (CDF) in Nairobi County applied descriptive design. 120 CDF members were considered. Outcomes were that CDF funds helped learners from disadvantaged backgrounds, however, it was reported that there was notable misappropriation of some of the funds due to poor internal controls and financial reporting mechanisms in the county. Recommendations were that CDF should improve internal controls and financial reporting mechanisms in order to further improve financial management.

Ndung'u (2016) researched the influence of bursary funds in addressing educational wastage in public secondary the schools in Kandara sub-county, in Murang'a County. 310 students, 80 class teachers, 20 school principals, and 10 CBF committee members were considered. Questionnaires were used to gather responses and the subsequent analysis showed that repetition and dropout of students in secondary schools are experienced as some needy students are yet to access funds from the government. 19.3 percent had repeated classes due to a lack of school fees and 20 percent dropped out. The summary was that SEBF qualification needed sensitization in schools to assist in fee settlement. CDF committee should keep a database to regularly update its applicants and beneficiaries to ensure that they are able to track their progress to enable them to complete their secondary education.

Another study by Onkoba (2012) assessed the impact of the bursary on students in secondary schools in Gucha Sub-County. Questionnaire analysis found that the bursary benefitted only a few students. The numbers of applicants for the bursaries were way more than the available funds. The management of bursaries by constituency committees faced challenges like nepotism and manipulation by local politicians. The researcher suggested the adoption of suitable screening methods for beneficiaries to ensure the needy benefitted. Selection of the vulnerable should be fair hence the involvement of tutors who interact with the group on a daily basis.

Njau (2014) studied bursary funds in enhancing access and retention of students in Secondary schools in Juja Constituency, Kiambu County. The findings revealed that the bursary fund helped improve retention rates since many guardians were of low-income levels. Guardians were not informed of bursary application options and needy groups were often left out. There was a need for clear guidelines for SEBF release and allocation to specific learners. In addition, more funds should be assigned to bursary programs.

Studies have highlighted that some parents face financial challenges and are unable to meet school financial obligations. Even though there is Secondary Education Bursary Fund (SEBF) students are still left out. Studies by Onkoba (2012) and Njau (2014) have shown that Kenya experiences increased dropout cases in secondary schools. However, there are few studies done on the effectiveness of financial aid to needy students on the performance of public secondary schools, contributions will be added to filling this gap.

## **RESEARCH METHODOLOGY**

### **3.1 Research Design**

This study employed a descriptive research design to achieve the best and most reliable results. Considering that the data gathered was holistic, contextual, and rich in details to test variables, the descriptive design enabled the researcher to produce an accurate profile of factors, events, and situations (Njoroge, 2015; Erikson & Kovalainen, 2008; Mugenda and Mugenda, 2003). Explanatory research also provided a cause-and-effect relationship between variables. It clarifies the importance, nature, and direction of a relationship between two or more variables (Bryman & Bell, 2007; Cooper & Schindler, 2008). The design also revealed the strength of the relationships between the variables (Kothari, 2004; Mugenda & Mugenda, 2008).

### **3.2 Research Population**

The study population was all public secondary schools in Nandi and Uasin Gishu counties. The study targeted 185 principals, 185 deputy principals, the Nandi County Director of Education, the Deputy Director of Education, and on, and 185 Board Chairpersons. There were also 185 bursar/accounts officers, 185 PTA members, and 185 senior teachers in the same county. In Uasin Gishu, there were 93 principals, 93 deputy principals, Uasin Gishu County Director of Education, Deputy Director of Education, 93 Board Chairpersons, 93 bursar/Accounts officers, 93 PTA members, and 93 senior teachers in Uasin Gishu County. These respondents were considered relevant and suitable as they were well conversant with the management and operations of the schools, and they were therefore well placed to give accurate and reliable data for this study.

	Sub county	Schools	Key respondents*	Total Target Population
Nandi	Emgwen	44	6	264
	Chesumei	24	6	144
	Mosop	42	6	252
	Aldai	36	6	216
	Nandi Hills	19	6	114
	Tinderet	20	6	120
	<i>Sub-Total</i>	<i>185</i>		<i>1110</i>
	Uasin Gishu	Soy	24	6
Turbo		11	6	66
Ainabkoi		9	6	54
Kapseret		8	6	48
Kesses		23	6	138
Moiben		18	6	108
<i>Sub-total</i>		<i>93</i>		<i>558</i>
County Director of Education		-	-	4
<b>Total</b>		<b>278</b>		<b>1672</b>

### 3.3 Sampling and Sample Size

A combination of Stratified and random sampling techniques was employed to select the required sample size as stated by Teddlie and Yu (2007), Suri (2011) and Sharma (2017). Stratification was done based on the sub-counties in each county. Therefore, the sub counties formed the strata. Stratification in this case ensured that public secondaries in all the sub-counties were considered. The choice of simple random sampling enabled the picking of a school in each sub- county. This gave each and every school an opportunity for selection. It allowed for equal opportunity to the respondents. The Taro Yamane, (1973) method was applied on the population of 1672 to obtain the sample size of 322 as shown below:

The Taro Yamane, (1973) method was applied on the population of 1672 to obtain the sample size of 322 as shown below:

$$n = N k + N(e) \quad 2$$

$$N = \text{population } K = \text{Constant (1)}$$

$$e = \text{degree of error expected} = 0.5$$

$$n = \text{sample size}$$

$$n = 1672$$

$$1 + 1670(0.05) \quad 2$$

$$N = 322$$

This yielded the sample size per target group as showed below.

	Total Population	Sample Size
Principals	278	54
Deputy Principals	278	54
Board Chairpersons	278	53
Bursar/Accounts Officers	278	54
PTA	278	53
Senior Teachers	278	54
County Director Of Education	2	1
Deputy County Director of Education	2	1
<b>Total</b>	1,672	322

### 3.4 Data Collection

The study used questionnaires and interview guides to collect data as suggested by Flick (2014) and Erzberger et al. (2011). Mugenda and Mugenda (2003), support questionnaires use because it is cost effective and can help in data collection from a large sample. Using multiple data sources and collection techniques increased the reliability of results and allow for multiple meanings and interpretations to be used in data analysis (Flick, 2014). In this study, the two methods were preferred because the sample is large and due to the ability to capture and gather large data volumes. The researcher, with the help of two trained research assistants who were trained, administered data collection instruments to the respondents. A drop-and-pick- later approach was used to administer the instruments. Respondents were expected to have responded to the research instruments by filling them in and be collected within one to ten working days. In some cases, the researcher and the research assistants waited and collected the filled instruments upon completion in the same day. This response time was intended to be sufficient for respondents who may be overburdened with their responsibilities.

### 3.6 Data Analysis

After the questionnaires were collected from the field, data cleaning was done to correct any error that might have occurred during data collection, and eventually the data was coded ready for analysis. Quantitative data were analyzed using descriptive and inferential statistics. Descriptive statistics was used to describe and summarize the data. Descriptive statistics of mean and standard deviation was necessary to access data characteristics and thus make it possible to interpret the information. An inferential statistic was carried out using multiple and step by step regression models. Multiple linear regressions was conducted to determine which variables influenced the dependent variable most and determine the nature of influence. Multiple linear regression is appropriate as it analyses the relationship between a single dependent variable and several independent variables. This was done using a multiple linear regression model shown below.

$$Y = \beta_0 + \beta_1 GA + \beta_2 TD + \beta_3 SF + \beta_4 AB + \varepsilon(3.1)$$

Where,



$$Y = \text{Performance } \beta_0 = \text{Constant}$$

$$\beta_1 \text{ to } \beta_4 = \text{independent variables coefficients (T e slope) GA} \\ = \text{Government allocation}$$

$$TD = \text{Timing of disbursement SF} = \text{School fees}$$

$$AB = \text{Award of bursaries } \varepsilon = \text{Error term}$$

## RESULTS AND DISCUSSION

### 4.1 Demographic profiles of respondents

The respondents' background information was evaluated.

*Table 1: Demographic Profiles*

	Parameter	Frequency	Percentage
<b>Gender</b>	Male	164	62.40%
	Female	99	37.60%
	<b>Total</b>	<b>263</b>	<b>100.00%</b>
<b>Age</b>	18 – 30	2	0.8
	31 to 40	54	20.5
	41 to 50	77	29.3
	Above 50	130	49.4
	<b>Total</b>	<b>263</b>	<b>100</b>
<b>Occupation</b>	Bursar/Accountant	63	23.80%
	Senior Teacher	65	24.70%
	PTA Member	67	25.50%
	Board Chair	68	25.90%
	<b>Total</b>	<b>263</b>	<b>100</b>
<b>Length of Service</b>	Under 1	14	5.7
	1 to 3	70	26.3
	4 to 6	75	28.5
	7 to 9	66	26.1
	Over 9	34	12.9

**Source:** Authors (2022)

Slightly above 62 percent of the respondents were male, and 37.6 percent were female. Concerning age, between 41 to 50 years accounted for 29.3 percent, next was between 31 to 40 years at 20.5 percent and finally 0.76 accounted for those respondents aged between 18 to 30 years. Almost 25.9 percent were board chair, 25.5 percent PTA member, 24.7 percent senior teacher and 23.8 percent bursar/accountant. This is an indicator that public schools in in Nandi County and Uasin Gishu County are managed by the board chair who supervises teachers, curriculum implementation and provision of resources, infrastructural growth and facilitating of co-curriculum activities. Majority

of 28.5 percent served 4 to 6 years, 26.3 percent between 1 to 3 years, 26.1 percent for 7 to 9 years, 12 percent for over 9 years and 5.7 percent under 1 year. This means that experience population were on the subject matter.

#### 4.2 School Fees Revenue Stream

The effect of timing of release of government funds was measured in terms of total amount of fees expected from parents/guardians in the financial year 2020/2021, parents/guardians honor of agreements, students with fee balances, payment of school fees, delay of school fee, average number of students turned away per term for lack of fees and performance (mean). The clarity was that schools do not receive the expected fees from parents/guardians in the financial year 2020/2021 as some of the arguments were that that fee should be half paid before middle of term and fully paid three weeks before end term, the fee should be paid in monthly instalments and look for bursaries. The parents/guardians do not honor these agreements and for the deficit gave the reasons as follows: 'the debts by the parents/guardians are always treated as bad debts.

Statements	Number	Minimum	Maximum	Mean	Std. Dev.
School fees were all paid as per the agreements between 2015 and 2020	263	1	5	2.19	0.98
School fees payment delayed for students since 2015 to 2020	263	1	5	2.34	1.02
Average number of students turned away per term for lack of fees between 2015 to 2020	263	1	5	3.03	1.44
Students chased due to fee balances eventually catch up with the rest remaining in school	263	1	4	2.37	1.06
Total amount of fees expected from parents/guardians in the financial year 2020/2021 were received.	263	1	5	2.08	0.93
For the cases of partial school fees payments, parents/guardians are able to cater for the deficit	263	1	5	2.67	0.92
Average	263			2.45	1.06

The minimum value is 1 while maximum is 5 in table 4.7. Average of 2.45 means and 1.06 standard deviation were recorded. A mean of 2.19 and a 0.98 standard deviation was recorded on whether the school fees were all paid as per the agreements between 2015 and 2020. This means that the respondents disagreed implying that the fees were not paid as per agreements. On whether the school fees payment delayed for students since 2015 to 2020, the mean was 2.34 and a 1.02 standard deviation. This means that the respondents agreed that there was delay in fees payment. On the average number turned away per term for lack of fees between 2015 and 2020, the mean was 3.03 and a 1.44 standard deviation. This implies that the respondents were neutral. On whether students

chased away due to fee balances eventually catch up with the rest remaining in school, the mean was 2.37 and a 1.06 standard deviation implying that the respondents disagreed. This means that despite the remedial lessons by teachers, the students chased away do not catch with those remaining in school.

A mean of 2.08 and a 0.93 standard deviation was recorded on whether the total amount of fees expected from parents/guardians in the financial year 2020/2021 were received. This means that the respondents disagreed, the parents/guardians did not pay the total amount of fees as expected. For the cases of partial school fees payment and whether the parents/guardians were able to cater for the deficit, the mean was 2.67 and 0.92 standard deviation. This means that the respondent was neutral meaning that those who disagreed and agreed were equal. This echoes Lichoro (2012) study that examined the income generating activities and their influence on academic performance in public secondary schools in Tigania East District, Kenya. Income-producing doings lead to learners outdoing in schools but funding, and little expertise are the obstacles.

#### **4.3 Award of Bursaries to Needy-to-Needy Students**

The effect of financial aid through bursary awards to needy students was measured in terms of the amount of bursaries and donations received by the school from the various stakeholders in the financial year 2020/2021 as in table 4.8.

<b>Category of Stakeholder</b>	<b>Average Amount (Kes)</b>
National government	247912
County government	784477
CDF	276929
NGOs	141339
Private Organizations	126753
Other	130812

**Source: Authors (2022)**

Table 4.8 average amount of bursaries and donations received by the school from the National government in the financial year 2020/2021 was 247912 Kes with the lowest amount as 95000 Kes and the highest amount as 700000 Kes. The average amount of bursaries and donations received by the school from the County government in the financial year 2020/2021 was 784477 Kes with the lowest amount as 15000 Kes and the highest amount being 7500000 Kes. The average amount of bursaries and donations received by the school from the CDF in the financial year 2020/2021 was 276929 Kes with the lowest amount as 100000 Kes and the highest amount being 400000 Kes. The average amount of bursaries and donations received by the school from the NGOs in the financial year 2020/2021 was 141339 Kes with the lowest amount as 100000 Kes and the highest amount being 250000 Kes. The average amount of bursaries and donations received by the school from private organizations in the financial year 2020/2021 was 126753 Kes with the lowest amount as 100000 Kes and the highest amount being 250000.

Kes and the average amount of bursaries and donations received by the school from the other stakeholders in the financial year 2020/2021 were 130812 Kes with the lowest amount as 100000 Kes and the highest amount being 510000 Kes. These findings show that the schools in Nandi County and Uasin Gishu County received bursaries and donations from various stakeholders in the financial year 2020/2021 including the National government, County government, CDF, NGOs, private organizations, and other stakeholders with the County government contributing the highest amount of bursaries followed by the CDF, National government, NGOs, other stakeholders and lastly from

the private organizations.

Statements	Number	Minimum	Maximum	Mean	Std. Dev.
Bursary allocation was sufficient for all needy students in your institution from 2015 to 2020	263	1	5	2.35	1.05
Bursary funds were received on time	263	1	5	2.67	0.92
Total amount of bursary was received as expected since 2015 to 2020	263	1	5	2.33	0.99
Every year from 2015 to 2020 new needy students is identified as bursary beneficiaries	263	1	5	2.8	0.93
For the cases of partial school fees payments, parents/guardians are able to cater for the deficit	263	1	5	2.47	0.92
You received the total amount allocated from the Government of Kenya in the financial year 2020/2021	263	1	5	2.33	0.99
<b>Average</b>	<b>263</b>	<b>1</b>	<b>5</b>	<b>2.41</b>	<b>0.96</b>

Bursary award measurement statements were average agreed at 2.41 mean and 0.96 standard deviations. A mean of 2.35 and a 1.05 standard deviation were recorded on whether the bursary allocation was sufficient for all needy students from 2015 to 2020. This means that the respondents disagreed implying that the bursary was insufficient. On whether the bursary funds were received on time, the mean was 2.67 and 0.92 standard deviation meaning that the respondents were neutral, those who disagreed and those who agreed were equal. A mean of 2.33 and a standard deviation of 0.99 was recorded on whether the total amount of bursary was received as expected from 2015 to 2020. This means that the respondents disagreed implying that the amount of bursary received was less than expected.

On whether in every year from 2015 to 2020 new needy students are identified as bursary beneficiaries, a mean of 2.08 and a 0.93 standard deviation were recorded. This means that the respondent disagreed implying that new needy students were not identified. For the cases of partial school fees payment and whether parents/guardians were able to cater for the deficit, a mean of 2.47 and 0.92 standard deviations was recorded implying that the respondents disagreed. Parents/guardians were unable to cater to the deficit. On whether the schools received the total amount of bursaries allocated by the government of Kenya in the financial year 2020/2021, this was disagreed by the respondent with a mean of 2.33 and 0.99 standard deviation. This implies that the total amount allocated by the government was not received.

The results posit Lin (2016) study effects of financial aid policies on student performance between the first and second year at a private four-year postsecondary institution in Taiwan-China. He identified other factors which affected performance of students. The study highlighted availability of financial aid as one of the main determinants of students' performance in education. This implies that governments and other stakeholders should devote in providing financial aid to needy students.

### Performance of Secondary Schools

Descriptive in regard to the performance of the selected secondary schools were picked and analyzed as results are explained below.

Statements	Number	Minimum	Maximum	Mean	Std. Dev.
There are appointed signatories who approve the school budget hence improving results	263	1	5	2.5	1.1
There is improved Infrastructure in secondary schools	263	1	5	2.4	1.1
The school has enough textbooks for each student	263	1	5	3	1.4
There is various equipment in the school including the laboratory and others	263	1	5	2.4	1.2
<b>Average</b>	<b>263</b>			<b>2.6</b>	<b>1.2</b>

The overall average of 2.56 mean and 1.18 standard deviation proves that performance measurement statements were not agreed by the people who gave their feedback. A mean of 2.48 and 1.06 standard deviation was recorded on whether there were appointed signatories to approve the school budget and hence improve results implying that the respondents disagreed. This points to a lack of signatories to approve the budget. On improved infrastructure for secondary schools, a mean of 2.38 and 1.07 standard deviations were recorded. This means that the respondents disagreed implying poor infrastructure in secondary schools. On whether the school had enough textbooks for each student, a mean of 3.03 and 1.44 standard deviation was recorded, implying that the respondents were neutral; those who disagreed were equal to those who agreed. On whether there was various equipment in the school including laboratories and others, the respondents disagreed with a mean of 2.44 and standard deviation of 1.17. This means that the equipment in schools were inadequate. Conclusions made is that performance of the selected secondary schools were not met as the areas considered in the study were not agreed upon.

### Regression Analysis

	R	R Square	Adjusted R Square	Std. Error of the Estimate
Model				
1	.931a	0.868	0.866	0.2

a. Predictors: (Constant), BUSARYAWARDS, SCHOOLFEES, DISBURSEMENTTIMING, GOVTALLOCATION)

The results showed a coefficient of correlation of 0.866 indicating that the independent variables (Government allocation, the timing of disbursement, school fees, and financial aid through the award of bursaries have a strong link with the performance. The R square value at 0.931 gives the goodness of fit measures while the adjusted R2 was 0.868. This means that 86.8 percent of all differences in the performance of public secondary in Nandi County and Uasin Gishu County can be described by Government allocation, the timing of disbursement, school fees, and award of bursaries, with the remaining 13.4 percent described by factors not included in the model.

## ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	65.082	4	16.271	422.549	.000 <sup>b</sup>
	Residual	9.934	258	.039		
	Total	75.017	262			

a. Dependent Variable: SCHOOLS PERFORMANCE

b. Predictors: (Constant), BUSARYAWARDS, SCHOOLFEES, DISBURSEMENT TIMING, GOVTALLOCATION

The significance level is 0.000a which is below 0.05. The results further indicate that the value of F (4,258) =422.63 which was more than the value of the mean square at 16.271. This implied that the model was significant in defining the performance of public secondary in Nandi County and Uasin Gishu County.

### 4.6 Hypothesis testing

The intentions were if a significant relationship was between the school fees revenue stream and the performance of public secondary schools in Nandi and Uasin Gishu Counties

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. error	Beta		
Model					
(Constant)	0.151	0.087		1.739	0.013
Government allocation	0.017	0.018	0.023	0.943	0.017
Disbursement timing	0.018	0.017	0.027	0.996	0.001
School fees	0.021	0.015	0.032	1.378	0.016
Bursary Awards	0.922	0.025	0.92	3.147	0
a. Dependent Variable: SCHOOLSPERFORMANCE					

*Hypothesis 1: There is no significant relationship between the school fees revenue stream and the performance of public secondary schools in Nandi and Uasin Gishu Counties*

Table 16 shows  $\beta = 1.378$ ;  $t = 0.032$   $p = 0.016$ . A 0.021 represented the value by which one unit of school fees changes the performance of viewed public secondary in Nandi County and Uasin Gishu County while government allocation, the timing of disbursement, and award of bursaries are constant. According to the t-value ( $t = 0.032$ ,  $p = 0.16$ ), as anchors a connection between school fees and the performance of public secondary in Nandi County and Uasin Gishu County. The null

hypothesis was therefore rejected as viewed above. The findings agree with Oyekan, Adelodun, and Oresajo (2015), the study that established that financial allotment helps to improve the educational output and students' performance in secondary schools in Ogun state.

*Hypothesis 2: There is no significant relationship between the rationale for the award of bursaries and the performance of public secondary in Nandi and Uasin Gishu Counties*

Researchers were concerned with bursary awards' significant connection with the performance of public secondary in Nandi and Uasin Gishu Counties. The results showed a coefficient  $\beta = 0.920$ ;  $t = 3.147$ ,  $p = 0.000$ . The value of 0.922 represented the value by which a single unit of award of bursaries changes the performance of public secondary in Nandi County and Uasin Gishu County when government allocation, the timing of disbursement, and school fees are constant. The t-value ( $t = 9.753$ ,  $p = 0.05$ ), as presented in Table 4.16 there is a relationship of finances award of bursaries and the performance of public secondary in Nandi County and Uasin Gishu County. The findings concur with Munge, Kimani, and Ngugi (2016) who conducted a study on factors influencing financial management in the public secondary in Nakuru County and found that provision of enough funding to schools is vital for the schools to record good performance. The study also found out that the schools with effective procedures and policies of how funds were used helped the schools in tracking and in promoting prudent financial management.

## **5.0 CONCLUSION**

Significant influence exists between school fees revenue stream and the performance of public secondary in Nandi County and Uasin Gishu County. Parents/guardians do not honor their agreements and the debts by the parents/guardians are always treated as bad debts. The performance (mean) of the schools selected kept on rising from the year 2016 to 2019. Finally, financial aid to needy students impacted the performance of public secondary schools in Nandi County and Uasin Gishu County. There were bursaries and donations from various stakeholders in the financial year 2020/2021 including the National government, County government, CDF, NGOs, private organizations, and other stakeholders with the County government contributing the highest amount of bursaries followed by the CDF, National government, NGOs, other stakeholders and lastly from the private organizations. The bursary allocation was not sufficient for all needy students in their institution.

As results depict the endorsements for improving the financial policy on the performance of selected public secondary schools in Nandi and Uasin Gishu Counties, Kenya was made. Both the national and County governments should ensure that the amount allocated to finance school programs is adequate considering the high enrolment rate due to the 100% transition policy. The stakeholders strive to add an amount and to be released on time at the beginning of every term. The National government should ensure that the disbursement of funds reaches the targeted schools on the stipulated time. The study also recommends that the Ministry should come up with the appropriate strategies that ensure that the performance of the schools is not affected by the changes brought about by the COVID-19 pandemic. The school management should encourage the parents/guardians to honor their agreement so as to avoid bad debts accruing. The study also recommends that the school should find alternative ways of helping students who are send home for fee balances to cope with the others. The stakeholders involved in the allocation of bursaries to public secondary schools should ensure that it is allocated on time. The allocation of funds should consider the increasing number of needy students. The approval and release of funds should be simplified to avoid delays.

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