

Influence of Budget Execution Practices on Financial Management in Public Secondary School Resources in Mandera County, Kenya

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Abstract

Amid the need to foster efficiency and effectiveness in schools, budgetary practices have been embraced by public secondary schools in different part of the world. Key of which is to compel planning and to provide best practices criteria in financial management in the public institutions, however, criticism has been leveled against the school management on issues of wastages and misappropriation of public resources. Thus, the study intended to investigate the influence budget execution practices on financial management in public secondary schools in Mandera County, Kenya. The study was guided by financial prudential and zero-based budgeting theories. The study adopted a mixed methods approach and applied concurrent triangulation design. The study targeted 981 respondents comprising of 42 principals, 350 teachers and 588 School Board of Management. The Yamane's formula was used to sample 294 respondents comprising of 13 principals, 105 teachers, 176 Poems and County Schools Auditor. Stratified sampling was used to create 6 different strata based on the number of sub-counties in Mandera County. From each sub-county, 2 principals were selected using simple random sampling. From each sub-county, 18 teachers and 30 members of school Board of Management were selected using simple random sampling. Questionnaires were used to collect data from teachers, interview guide from principals and the County Schools Auditor and focus group discussion guide from the school Board of Management. Data analysis began by identifying common themes from the respondents' description of their experiences. Frequency counts of the responses were then obtained to generate information about the respondents. Qualitative data were analyzed thematically along the objectives and presented in narrative forms, whereas quantitative data was analyzed descriptively and inferentially using One-Sample t-Test using Statistical Packages for Social Science (SPSS Version 23) and presented using tables. The study established that secondary schools in Mandera County rarely adhere to budget formulation practices geared toward to improving financial management. In conclusion, budget execution practices adopted by secondary schools influence financial management. Thus, the study recommends that schools should adhere to the well-laid down budget execution procedures. The Ministry of Education should ensure timely and efficient disbursement of school funds to allow time for effective scrutiny of the school budget.

Keywords: Budget execution practices, financial management, secondary schools

Introduction

Principals' financial management skills have significant roles in the execution of most school budgets. It has become increasingly varied, both in scope and objective to assist all levels of management in assuring internal and external constituencies that financial resources are being properly managed and accounted for.

Burk (2007) posits that principals' budgeting practices in schools have undergone dramatic changes that have expanded its scope in a way that allows it to make greater contributions towards prudent use of financial resources, accountability and efficiency. In a study carried out in Paris in France, Hallak (2008) indicated that principals have to undergo training in financial management skills in order to perform their duties of budget implementation.

Consistent with these assertions, Ghalib (2009), in a longitudinal study conducted in Australia, revealed that, since secondary schools are public agencies, the ability of principals to raise and spend money, allocate resources to different vote heads and implement school budgets is critical in the budget execution process. In addition, an effective financial management system would include internal reviews and budget

execution practices on a continuous basis to ensure financial prudence, accountability, efficiency and prevent fraud. These practices are important in holding schools accountable for the use of public funds. According to Breul and Moravitz (2007), the scarcity of resources requires budget allocation decisions to focus on effectiveness of spending public funds. This implies that schools must ensure efficient use of funds through budget allocation by ensuring effective planning, performance measurements and cost measurement.

According to Cherrington, Hubbard and Luthy (2008), a flexible budget is a technique that is used for adjusting the budget in favor of various level of business activity. However, the ordinary routines of budget execution are usually carried out far from the spotlight of public attention and the day to day crises that make up much of the daily lives of account administrators and program managers are slowly buried under an accumulating mass of detail as the fiscal year rolls on.

Even players within a school see little of this budget execution process as it unfolds, unless it affects their own program. Visser and Erasmus (2007) assert that, while there is an assumption that the budget will be executed as planned once it is approved, and that this is a relatively simple task compared to preparing and passing the budget, the reality of administrative life is quite different. In keeping with these assertions, a study conducted in Mexico by Mendoza (2008) revealed that a substantial portion of budget execution is driven by the necessity of rescuing careful plans from unforeseen events and emergencies and unknowable contingencies.

Mendoza (2008) argues that, at the end of the year, in the aggregate and on average, budget execution may appear to have been a matter of uninteresting routine constrained by obscure and arcane rules and procedures and dominated by financial control procedures, but it is unlikely to have appeared so uneventful to the department budget officer and his staff or the manager charged with carrying out the program. Despite great attention paid to budget execution in the last decades by practitioners, the academic literature is still largely focused on budget preparation (Mendoza, 2008).

However, there is a substantial body of literature developing on budget execution under other titles and leading texts now

discuss cash management and investment, debt administration, and tax administration, pension funds, risk management, capital budgeting and bonds, and property management as well as budget preparation. National Advisory Council on State and Local Budgeting (2009) notes that budget allocation and implementation should reflect the priorities and the preferred future state of the school. This helps in making sure that all the stakeholders support the approved budget and this guarantees its successful implementation.

According to Jones (2010), budgeting is an important financial tool that ensures actions are conducted and implemented according to the budget plans. Through the use of a budget as a standard, the school makes certain that programmes are implemented according to set plans and objectives. Ezeaba (2001) maintained that if budget is to have any meaning, it must be put into operation. Any budget is not an effective instrument for implementing an educational plan if it is filed away and referred to only at intervals.

Programme must be organized, persons must be employed, supplies must be purchased and buildings must be constructed, equipped, maintained and operated. In administering the budget, the principals of secondary schools should provide themselves with school account books for entering the detailed amount budgeted, for receipts and expenditure items, provide a simple ledger where expenditures can be entered showing either weekly or monthly balance. In a study conducted in KwaZulu Natal, South Africa, Mulgan (2000) revealed that effective principals' budget execution focuses on the principals' attention on key areas of the budget and ensure that sufficient resources are allocated to the school engagement according to school priorities.

Mulgan (2000) suggested that ability of school principals to conduct allocate resources and implement school budgets

should result in a budget that is well-directed and supervised according to school needs and priorities. In other words, the principals' budget execution strategy sets out in general terms how the budget is to be implemented, sets the scope, timing and direction of the school budget implementation process.

In Kenya, over the past several years, ability of principals to allocate resources and implement school budgets has become a subject of interest in the budget execution literature (Kibara, 2007). Before proper and sound measurement of the budget execution practices can be done, principals need to have a clear understanding of the roles expected of budgets and its impact on the budget schools (Kibara, 2007). However, Kibara (2007) noted that principals' effectiveness in budget execution can be described, but it is difficult to quantify and in the final analysis, effectiveness is determined by the perception of the school principals. In school environment, the school principal is the most important factor since effectiveness of the budget execution practices can be described through the expectations of the school management with regard to the principals' budget execution practices.

The school principal is expected to implement school budgets to a certain level that is complying with the budget execution regulations. On the contrary, in a study conducted in Kajiado North District, Keitany (2000) asserted that over the years, there have been dramatic changes in the school budgeting environment and these affect the principals' budget implementation practices.

To accomplish this, Keitany (2000) posited that the principals' ability to implement school budgets must function in a manner that is in accordance with the applicable professional standards and organizational goals. Principals' budget implementation practices appraise the effectiveness of internal control systems, which is the basis of budget

implementation and which also includes an appraisal of the actions by management to correct situations, which are at variance with planned budgetary outcomes. The school expenditure process begins with a budget and ends with spending (MoE, 2010). The budget execution is a process which incorporates monitoring the budget.

The actual performance of the school can be measured against performance.

The educational manager should provide ample publicity for the budget document so that the board of management and the parents association are adequately informed about the budget. The budget should not come out as news to the school community (MoE, 2007). According to Okumbe (2007) the board of management and the parents' association must be given ample time to study and consider the budget estimate in detail before it is finally discussed and adopted.

The school manager should be able to justify every request in the budget document. When the board of management and the parents' association are satisfied with the final budget estimate, the principal is authorized to forward the budget to the ministry of education or the relevant body which in turn should approved the budget estimate before the beginning of the year. The approved budget provides the educational manager with authority to collect and spend money necessary for organizational effectiveness. The approved budget also helps to remove any suspicion by the students, teachers and parents which may cause unnecessary unrest in the educational organization. The administration of the budget involves budget control, development of work plans and Implementation of work plans.

According to Mulwa (2008) in budget control, there must be a centralized administration, coordination and control of the budget if the programs are to be achieved effectively. The central control ensures that those given

authorities to spend money are kept in check. Therefore, budget estimates must be utilized rationally so as to guide prudent financial management in an educational organization.

In Mandera County, one of the challenges facing secondary school principals is the effective use of budget procedures and practices to ensure that there is prudent financial management of school funds (Kimani, 2010). This contradicts a popular view that when principals employ proper budget implementation practices and ensure financial management on the finances, the institutions will realize the set objectives. Schools cannot assess whether such processes provide sufficient and objective assurance or regular review and appraisal of the adequacy and the integrity of the internal control systems in the schools. However, Kimani (2010) makes virtually no reference to the kinds of principals' budget execution practices which act as potentially powerful tools for meeting the management objectives of enhancing financial management of school resources.

Statement of the problem

Secondary school education plays a key role in providing learners with opportunities to acquire skills that enables them to pursue higher education and to improve their skills leading to higher labour market productivity (Ngware et al, 2006). However, in Mandera County, criticisms have been leveled on issues concerning efficiency in usage of financial resources to meet educational needs as well as questions about the quality and the relevance of the curriculum and the cost of providing education (Musau, 2015).

Financial management in public secondary schools has been an issue of concern among stakeholders; parents, teachers, policy makers, Boards of Management, students and even the public at large mostly due to inadequate or lack of budgeting of resources provided in the

schools (Musau, 2015). Many stakeholders therefore do not know what the money they pay to schools does and this has led to mistrust of the school managers, loss of goodwill by parents and sponsors and reduced morale among teachers and staff. This has created a situation of total mistrust between the stakeholders, principals being interdicted on allegations of financial misappropriations, students striking or involving themselves in insidious conduct because of the opaque nature of school financial reports or general lack information and cases of poor financial management.

In the same vein, several audit reports revealing gross mismanagement and embezzlement of funds in public schools which leads to poor management of financial resources with deviations from budgetary practices, standards and principles (Price Waters Coopers, 2015). There are manipulation of the budget items and transfer of funds from one area to another in disregard of the due process. This may lead to schools having inadequate finances to fund important programmes in schools.

Although there is available government policies and legal framework in place that demands for accountability and transparency in the use of public resources and safeguarding public funds from misappropriation and minimize wastages the audit reports from the fields are glaring and wanting. In the same vein, it is not clear how budget execution practices adopted in most schools influence financial management.

Theoretical Framework

The study was guided by a finance management theory called prudential theory advanced by Koller (2004), which is the basic financial theory for non-profit organization finance management. Koller (2004) argues that the maximization of stakeholder's value is the most important goal of any organization which is not profit making and therefore only

those investments that benefit all stakeholders financially should be undertaken or considered.

The study was also guided by Zero-based Budgeting Theory put forward by Pyrrh (1970). The theory contemplates that budget is recollected from the first principle, that is, from a zero base. The Zero-Based Budgeting Theory can be related to the study because the budgetary activities within schools are anchored on the premise of justifying the utilization of each penny beginning from the basis responsibility ground.

The relevance of these theories in this study was based on the fact that they underscore the fact that, in the school context, financial management has to be framed in the social and cultural context in which this branch of knowledge exercises a fundamental and credible role in the dissemination of school's financial information.

In practice, most organizations bend to the approximation of the tenets of this model without application of the full scale, all out method highlighted here e.g. through the use of priority based incremental budgets. This calls upon the managers to assess the implications on the delivery of service if the budget was hiked or fell by a specific bracket. More resources directed to the area(s) that could display great benefits with regards to increase in output from a specific quantified projected growth in the budgetary provisions.

Delimitations of the Study

This study was conducted in public secondary schools in Mandera County on the influence of budget execution practices on financial management in public secondary schools. In this study, data was collected from principals, teachers, members of school BOM and the County Schools Auditor. This study adopted mixed methods approach and thus applied concurrent triangulation research design. In this study, questionnaires were used to collect

data from teachers; interview schedules were used to collect data from principals and County Schools Auditor whereas focus group discussions guide was used to collect data from members of school BOM. The study was conducted for a period scheduled between the month of January, 2015 and October, 2017.

Research Methodology

The study applied mixed methods approach, that is, quantitative and qualitative methods. The study used concurrent triangulation design since it is single-phase design in which researcher implemented the quantitative and qualitative methods during the same timeframe and with equal weight. The study targeted 981 respondents comprising of 42 principals, 350 teachers and 588 School Board of Management.

The Yamane's formula was used to sample 294 respondents comprising of 13 principals, 105 teachers, 176 Poems and County Schools Auditor. Stratified sampling was used to create 6 different strata based on the number of sub-counties in Mandera County. From each sub-county, 2 principals were selected using simple random sampling. From each sub-county, 18 teachers and 30 members of school Board of Management were selected using simple random sampling. Questionnaires were used to collect data from teachers, interview guide from principals and the County Schools Auditor and focus group discussion guide from the school Board of Management. Data analysis began by identifying common themes from the respondents' description of their experiences.

The relevant information was broken into phrases or sentences, which reflected a single, specific thought. Qualitative data was analyzed thematically along the study objectives and presented in narrative forms whereas the quantitative data was analyzed using descriptive statistics and inferentially

using One-Sample t-Test Analysis with the help of Statistical Package for Social Science (SPSS 23) and presented using tables.

Results and Discussions

The study sought to analyze the influence of budget execution practices on financial management in public secondary schools in Mandera County.

Respondents' Background Information

The questionnaires were administered to the teachers. Out of the 105 questionnaires administered, 102 were successfully filled and returned as shown in Table 1;

Table 1: Response Return Rate

Respondents	SR	QR	ARR
Teachers	105	102	97.14%
Total	105	102	97.14%

Key: SR-Sample Respondents; RQ-Returned Questionnaires; ARR-Achieved Return Rates.

Data in Table 1 indicate that the total questionnaire return rate was 97.14% affirming the fact that the questionnaire return rate was sufficient and above 75% of the acceptable levels to enable generalization of the results to the target population (Creswell, 2009). At the same time, principals, members of school Board of Management and County Schools Auditor also registered a response rate of 91.7% (66 out of 72).

Budget Execution Practice and Financial Management in Secondary Schools

The study intended to find out how often secondary schools adhere to budget execution practices and how such practices influence financial management in secondary schools. Data was collected from teachers, organized and summarized and results are indicated in Table 2:

Table 2: Teachers' Views on the Influence of Budget Execution Practices on Financial Management in Public Secondary Schools

Summary of Test Items	VF %	F %	O %	R %	N %	Mean	St. Dev.
Allocation of financial resources during budget execution has not enhanced financial management	55.9	15.1	2.8	16.8	9.4	3.618	1.472
Implementing budget plans has not enhanced financial management	59.1	23.5	2.7	5.9	8.8	4.176	1.271
Budget implementation has not fully enhanced adherence to financial policy regulations	58.9	17.2	2.0	19.3	2.6	4.118	1.255
Secondary schools implement budget plans, though has not enhanced financial management	78.4	11.1	2.1	3.9	4.5	4.618	0.908
Approval of budget plans by school BOM has rarely enhanced financial management in schools	80.3	9.1	3.6	4.1	2.9	4.500	0.912
Approval of budget plans by BOM has rarely enhanced adherence to financial management	77.1	10.4	1.3	6.3	4.9	4.441	1.168

Source: Researcher (2017)

Table 2 reveals that 57(55.9%) of the teachers indicated that allocation of financial resources during budget execution has not enhanced financial accountability, transparency, adherence to financial policy regulations, financial prudence and efficiency in secondary schools. At the same time, 15(15.1%) of teachers indicated frequently. On the contrary, only a small proportion of 3(2.8%) of the teachers indicated occasionally, 17(16.8%) of teachers indicated rarely whereas 10(9.4%) indicated never.

These findings corroborate the assertions of Breul and Moravitz (2007) that the scarcity of resources requires budget

allocation decisions to focus on effectiveness of spending public funds. This implies that schools must ensure efficient use of funds through budget allocation by ensuring effective planning, performance measurements and cost measurement.

Thus, these findings point to the fact that the process of allocating public funds should be guided by the maximization of an appropriate social welfare function. Hence, in allocating and implementing budgets, schools should look for a mix of funds that would maximize their overall performance.

Besides, budget allocation and implementation in schools involves

decentralizing responsibilities in order to mitigate problems of conflicts between different stakeholders. The study also revealed that 60(59.1%) of the teachers indicated that implementing budget plans has not very frequently enhanced financial accountability and transparency in secondary schools as did 24(23.5%) of the teachers who indicated not frequently.

However, 3(2.7%) of the teachers indicated not occasionally, 6(5.9%) indicated rarely whereas 9(8.8%) indicated never. The study also found that 60(58.9%) of the teachers indicated that budget implementation has not very frequently fully enhanced adherence to financial policy regulations in secondary schools as did 18(17.2%) of the teachers indicated frequently.

However, 2(2.0%) of the teachers indicated occasionally, 20(19.3%) of the teachers indicated rarely whereas 2(2.6%) indicated never. On the contrary, 80(78.4%) of the teachers indicated that secondary schools implement budget plans, though has not enhanced financial prudence and efficiency as did 12(11.1%) of the teachers indicated frequently. However, 2(2.1%) of the teachers indicated occasionally, 4(3.9%) of the teachers indicated occasionally whereas 4(4.5%) of the teachers indicated never. These findings are consistent with the assertions of Allen (2009) that decentralizing budget allocation and implementation enables different departments to be involved in the process and serves as a motivation of improving school performance.

This helps in making sure that all the stakeholders support the approved budget and this guarantees its successful implementation therefore it means if the school managers establish a culture of budget planning in their schools the

performance of the schools are tremendous and the managers will have job satisfaction.

The study also established that 82(80.3%) of the teachers that approval of budget plans by school BOM has not very frequently enhanced financial accountability and transparency in secondary schools. At the same time, 9(9.1%) of the teachers indicated not frequently. However, 4(3.6%) of the teachers indicated occasionally, 4(4.1%) of the teachers indicated rarely whereas 3(2.9%) of the teachers indicated never. The study also revealed that 79(77.1%) of the teachers indicated that approval of budget plans by school BOM has not very frequently enhanced adherence to financial policy regulations, prudence and efficiency in secondary schools as did 11(10.4%) of the teachers who indicated not frequently. On the other hand, 2(1.3%) of the teachers indicated not occasionally, 7(6.3%) of the teachers indicated rarely whereas 3(4.9%) of the teachers indicated never.

These findings lend credence to the assertions of Mulwa (2008) that the administration of the budget involves budget control, development and implementation of work plans. According to Mulwa (2008) in budget control, there must be a centralized administration, coordination and control of the budget if the programs are to be achieved effectively.

These findings are indicative of the fact that approval is critical for implementation of budget plans. That is, when the board of management and the parents' association are satisfied with the final budget estimate, the principal is authorized to forward the budget to the Ministry of Education or the relevant body which in turn should approved the budget estimate.

Inferential Findings on the Influence of Budget Execution Practices on Financial Management in Public Secondary Schools

To verify the possibility of difference between budget execution practices and financial management in secondary

schools, data was collected on frequency of adherence to budget execution practices, annual financial disbursements, annual expenditure, money unaccounted for and efficiency in a given financial year as shown in Table 3:

Table 3: Results of Frequency of Adherence to Budget Execution Practices, Schools' Annual Financial Disbursements, Expenditure, Money Unaccounted for and Efficiency

Frequency of Adherence to Budget Execution Practices	Financial Management (Kshs.)			
	Annual Disbursements	Annual Expenditure	Money Unaccounted For	Efficiency
1	2,110,680	1,179,870	930,810	55.9%
2	2,110,680	1,428,930	681,750	67.7%
3	2,110,680	1,775,081	335,599	79.8%
4	2,110,680	1,876,395	234,285	88.9%

Source: County Schools Auditor (2017)

Table 3 indicates that schools where allocation of resources is never adhered to nor budget plans effectively implemented register low efficiency. On the other hand, schools where approvals are sought from school board before implementation of budget plans register impressive financial efficiency. In essence, these results further corroborate the assertions of Breul and Moravitz (2007) that the scarcity of

resources requires budget allocation decisions to focus on effectiveness of spending public funds. This points to the fact that schools must ensure efficient use of funds through budget allocation by ensuring effective planning, performance measurements and cost measurement. These results are subjected to One-Sample t-Test Analysis and results are indicated in Table 4:

Table 4: One-Sample t-Test Analysis of the Difference between Frequency of Adopting Budget Execution Practices and Means of Schools' Annual Disbursement, Annual Expenditure, Money Unaccounted for and Financial Efficiency

	Test Value = 0			Mean Difference	95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)		Lower	Upper
Frequency of Adherence to Budget Execution Practices	3.873	3	.030	2.500	.45	4.55
Annual Disbursements	9.770	3	.002	1565069.000	1055263.84	2074874.16

Annual Expenditure	3.406	3	.042	545611.500	35807.37	1055415.63
Efficiency	10.170	3	.002	73.075	50.208	95.942
				0		

SPSS Generated (2017)

From the One-Sample t-Test Analysis in Table 4, the processed data, which is the population parameters, has a significance level of 0.030 for the frequency of adherence to budget execution practices, 0.002 for mean annual disbursements, 0.042 for the mean annual expenditure and 0.002 for financial efficiency which show that the data is ideal for making a conclusion on the population's parameter as the value of significance values (0.030, 0.002, 0.042 and 0.002) are less than 5%, that is, $p\text{-value}=0.030, 0.001, 0.045$ and $0.001 < 0.05$. These data also indicate that the results were statistically significant and that there is significant difference between adherence to budget execution practices and means of annual school budgets, annual expenditure, money unaccounted for and financial efficiency. These results were consistent with the findings of a study conducted by Okumbe (2008) which generated a $p\text{-value}$ of $0.008 < 0.05$. These findings further point to the fact that school principals are exposed to many challenges in budget preparation, how and when to approve the budget and financial management as the existing preparation measures and support for principals in financial management are basically weak and do not sufficiently prepare potential principals for responsibilities in budget preparation and approval in relation to financial management.

Thematic Analysis of Qualitative Findings on the Influence of Budget Execution Practices on Financial Management in Secondary Schools

During the interviews, secondary school principals and members of School Board of Management, however, refuted the view that they rarely allocate resources for any budget plans. Principal, P3, and Member of School Board of Management, MSBM3, noted,

“In my school, I ensure that adequate resources are allocated for every vote in the budget. This move has enhanced financial accountability, transparency, adherence to financial policy regulations, financial prudence and efficiency in my secondary school”.

However, the County Schools Auditor indicated that most secondary schools rarely allocate resources to every vote head. The County Schools Auditor, CSA3, remarked,

“Secondary schools rarely ensure that adequate resources are allocated to different vote heads in their budgets. Sometimes, secondary schools procure items which have not been budgeted for. This makes it difficult to ensure prudent use of schools’ financial resources”.

These views further corroborate the views expressed by Breul and Moravitz (2007) that the scarcity of resources requires budget allocation decisions to focus on effectiveness of spending public funds. Hence, the process of allocating public funds should be guided by the maximization of an appropriate social welfare function. However, the interviewees and discussants concurred with the view that implementing budget plans has not enhanced financial accountability, transparency and adherence to financial policy regulations in secondary schools.

Just like quantitative findings, these views further lend credence to the viewpoints

expressed by Allen (2009) that decentralizing budget allocation and implementation enables different departments to be involved in the process and serves as a motivation of improving school performance. On further probing, principal, P4, noted,

“BOM always approve school budget plans and this move has often enhanced financial accountability, transparency and adherence to financial policy regulations, prudence and efficiency”.

However, the County Schools Auditor noted that secondary school BOM approve school budget plans though has not enhanced financial accountability, transparency and adherence to financial policy regulations.

The County Schools Auditor, CSA4, observed,

“Most secondary school principals show inadequate cost management ability. This has impacted negatively on their ability to allocate resources in the school budget, implement budgets and seek approval from BOM”.

These views further lend credence to the views expressed by Mulwa (2008) that the administration of the budget involves budget control, development and implementation of work plans. These views affirm the fact that budget approval is critical for implementation of budget plans. This implies that when the board of management and the parents’ association are satisfied with the final budget estimate, the principal is authorized to forward the budget to the Ministry of Education or the relevant body which in turn should approved the budget estimate.

These views thus affirm the fact that an effective financial management system would include internal reviews and budget execution practices on a continuous basis to ensure

financial prudence, accountability, efficiency and prevent fraud. These practices are important in holding schools accountable for the use of public funds. The interviewees also concurred with the view that principal's financial reporting ability has impacted on their ability to allocate resources in the school budget, implement budgets and seek approval from BOM. These views affirm the fact that effective principals' budget execution focuses on the principals' attention on key areas of the budget and ensure that sufficient resources are allocated to the school engagement according to school priorities.

SUMMARY OF FINDINGS

The study established that adherence to budget execution practices influence financial management in public secondary schools. The study established that the factors considered during budget administration include availability of skilled personnel, resources and financial sources. These findings affirm the fact that the process of allocating public funds should be guided by the maximization of an appropriate social welfare function and thus, in allocating and implementing budgets, schools should look for a mix of funds that would maximize their overall performance.

This implies that the scarcity of resources requires budget allocation decisions to focus on effectiveness of spending public funds. However, schools do not consider availability of skilled personnel when executing budgets to enhance breakeven and proposal spending rates.

CONCLUSIONS AND RECOMMENDATIONS

It is also evident that most secondary schools rarely adhere to budget execution practices to enhance financial management in public secondary schools. The study established that the factors considered during budget execution include availability of skilled personnel, resources and financial sources.

These findings affirm the fact that the process of allocating public funds should be guided by the maximization of an appropriate social welfare function and thus, in allocating and implementing budgets, schools should look for a mix of funds that would maximize their overall performance. The study recommends that school principals should engage the services of skilled personnel to oversee budget implementation and consider financial resources available.

Suggestions for Further Research

A study could be conducted to investigate the influence of principals' training on budgeting on financial management in public secondary schools. A study could be conducted to examine how stakeholders' attitudes towards budgeting influence financial management in public secondary schools.

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