

INFLUENCE OF FINANCIAL RESOURCES MANAGEMENT ON ACADEMIC PERFORMANCE IN PUBLIC SECONDARY SCHOOLS IN KIMININI SUB-COUNTY, TRANS-NZOA COUNTY, KENYA

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Abstract

The purpose of the study is to evaluate the influence of financial resources management on academic performance in public secondary schools in Kiminini sub-county, Trans-Nzoia County, Kenya. The specific objectives of the study was to establish the effects of budgeting and the effects of internal controls on academic performance in public secondary schools in Kiminini sub-county, Trans-Nzoia County. The study was hinged on the Bucket Theory of financial management. The study utilized a cross sectional research design. A sample size of 146 respondents was determined from a target population of 232 people using Slovin's formulae. Questionnaires were used in collecting data. The study employed both descriptive and inferential statistics in analysis. Results established varied disparities in academic performance. Regression results demonstrated that financial resources management (budgeting and internal controls) had statistically significant influence on academic performance. The Coefficient of Determination or Rsquare stood at 0.734, which implied that 73.40% of the variation in the academic performance was explained by variability in the variables under financial resources management (budgeting, internal controls). Pearson Correlation Analysis results further demonstrated a positive relationship between budgeting and internal controls on academic performance. The study recommends more pursuit of financial resources management as demonstrated in the bucket theory of financial management to enhance academic performance. Management of public secondary schools in Kiminini sub-county should embrace on the strategies that improve financial resources management in order to improve academic performance.

Keywords: *Budgeting, Internal Controls, Academic Performance*

INTRODUCTION

Education is the foundation of sustainable development in any institution or country. It has a central place in the transformation of individual lives as well as world economies. Every country allocates a considerable portion of its resources to education every year aiming at empowering the people with necessary skills, knowledge, and expertise. Orodho and Njeru (2005) noted that education is a basic tool for social, cultural, political, and economic development. The academic performance of the learners gives an impression about the gains, which according to United Nations International Children's Education Fund, should lead to a person's intellectual, emotional, spiritual, and physical abilities to mature, hence enabling him/her to participate fully

in community affairs (UNICEF, 1996). To achieve desirable outcomes, the management of resources in institutions of learning plays a central role.

For any educational institution to run effectively there is need for adequate resources, and efficient management leadership. Scholars have attempted to explain resources in various ways. Woodford (2003) for instance, sees a resource as a useful or valuable possession or quality of a country, organization, or person. Coleman and Anderson (2001) divided education resources into two main categories: those used to provide support services such as the running costs of the buildings, administration, and management and those for academic core of teaching and learning like physical or tangible resources.

The main resources available for organizations are human, financial, physical and informational (Sherman, 2016). Nsubuga (2008) identified school teaching and learning resources to include buildings particularly classrooms with lockable doors for storage of materials, teaching aids like textbooks, visual aids and other scholastic materials. Mintzberg (1979) holds that resources directly utilized in teaching and learning are clearly classrooms and curriculum support resources such as books, stationery materials equipment, wall pictures, blackboards, audio-visual aids, globes, maps, atlases, concrete objects and classroom environment. School principals play important roles in the day-to-day management of their institutions. Urba and Brevis (2002) state that during their daily work, principals typically fulfil several roles. Hellriegel (2005), says that the principals under the direction of their district, take a leadership role in the daily operation of a school. Principals are responsible for the organization and management of individual schools. Mestry (2004) mentions that in terms of financial matters, the principal should have various kinds of school accounts and records kept properly and should make the best use of funds for the benefit of learners in consultation with the appropriate structures.

From the regional perspective for instance, it has been observed that the management of school funds has been a challenge in Zimbabwe. Studies have shown that school principals and school development committees have failed to efficiently manage school funds and to co-ordinate activities in the schools. This is due to poor or lack of training by the Ministry of Education (Caldwell, 2004). Chatiza, (2011) documented that school heads in Mashonaland East province have cases of mismanagement of funds. Wushe, Ndlovu and Shenje (2014) in their analysis of basic management and financial skills by school development committees in Zimbabwe maintained that efforts by school principals, development committees, the community and other stakeholders are necessary for proper decision making and utilization of the school resources. They noted that school administrators of secondary schools in Harare lacked financial skills required for the prudent management of school funds.

The people entrusted with the responsibility of running institutions are very important in ensuring quality resource management and the performance of better students' academic performance. Studies have shown that 73% of the social sector expenditure and about 40% of the national recurrent expenditure in Kenya goes to education. Where large sums of money are involved, there is need for high level of accountability. Transparency International Report (2009) indicates that the education system in Kenya continues to be plagued by financial mismanagement risks that threaten the quality of education. This is happening even after the enactment of Public Officer Ethics Act of 2003 which stipulates that money given out as imprest ought to be accounted for and any major purchases in a school to be done through the tendering process.

For planning and evaluation to be successful, there is need for proper budgeting as a practical bridge between planning and evaluation. Thus, the budget represents the financial crystallization

of the organization's intentions. It is through budgeting that a school can decide on how to achieve the intended goals. Macharia (2002) views proper budgeting administration as a way of ensuring that resources are allocated according to what is in the budget. The school administrators and Board of Management have the responsibility of approving what is to be spent.

Kiringai and West (2002) did a study on budget reforms and the Medium-Term Expenditure Framework (MTEF) in Kenya. The study reviewed various budget systems and evaluated the strengths of MTEF process and the threats to its sustained implementation in the context of developing countries like Kenya. The study identified a number of weaknesses in the planning and budgeting process that had continued to contribute to its poor performance namely: poor forecasting ability, lack of medium-term perspective, failure to cost future resource requirements, too many budgets, excessive political interference in budgeting, separation of the planning and budgeting process, failure of planning groups to integrate strategic planning concerns into the budget cycle, failure of expenditure controls by line item, incremental recurrent budgeting especially on on-going programs resulting in redundant and rising program implementation costs, delays in issuing resources due to unforeseen changes in revenue, emergency expenditures and unplanned activities, inadequate provision for the recurrent implications of development projects; funding of recurrent activities through the development budget to attract donor funding at the expense of accountability and transparency, discrepancies between development estimates and public investment programs, poor quality of development projects due to poor targeting, high per unit costs and low completion rates, weak accounting systems, inadequate and at times lack of monitoring and evaluating systems and failure to develop management information systems.

Statement of the Problem

Administration and management of financial resources is a key concern for any organization and secondary schools are not any different. All funds are normally attached to the budget. If financial resources are well allocated and utilized they have a direct positive influence of the overall school performance. Public institutions in Kenya including secondary schools employ hierarchy budgeting which can lead to change of original request at any level leading to shortage of funds (Heller & Aghvelli, 2005).

In Kenya, funding of secondary education is largely shared between the parents and government. According to the Ministry of Education, public secondary schools consume 23% of the Ministry of Education's budget annually. The management of funds in public schools is under the principal with the approval of the Board of Management (Department of Education and Culture, 2009). Their responsibility is to ensure proper utilization of the available resources so that their schools perform well in both academics and in other areas. However, it has been observed that some school principals operate without following the budget or laid down procedures in terms of financial resource management.

The Kenya Education Management Institute regularly trains principals of secondary schools on financial management skills. However, incidences of mismanagement of funds in secondary schools is adversely reported. The continuous decline in students' academic performance, especially in schools where finances are poorly managed has led to an outcry from the stakeholders, sometimes leading to transfer or even interdiction of principals. In addition, the policy of disbursing recurrent and development funds to public institutions has negatively affected efficient administration of operations.

Studies have shown that there is significant relationship between management of resources and

the degree of output in an organization or institution of learning (Keith, 2014; Bua and Ibh, 2014). Lewin (2008) found out that students' academic performance significantly improved in Bangladesh after the introduction of school bursaries. Keith (2008) also found out that students' rate of completion and transition significantly increased in the United Kingdom with the support of bursary aid.

Secondary school principals are entrusted by the Ministry of Education to manage the resources in their respective schools. They are the chief accounting officers managing all human, physical, and financial resources in their respective schools (Nyongesa, 2007). This gives them the mandate to mobilize resources and to ensure school effectiveness through improving students' academic performance. However, despite all the efforts by the government and other stakeholders, the area of management, especially financial management has been wanting. Across the country, there have been queries in secondary schools regarding expenditures of public funds, conflict of interest in school equipment supplies, diversion of funds, tendering processes, funds misappropriation, embezzlement, and mismanagement among others which adversely influence the academic performance of learners. The situation is no different in Kiminini sub-county, where most of the students come very economically challenged backgrounds and future depends heavily on their education. It was against this backdrop that the study was premised.

Objectives of the Study

- i. To establish the effects of budgeting on academic performance in public secondary schools in Kiminini sub-county, Trans-Nzoia County.
- ii. To evaluate the effects of internal controls on academic performance in public secondary schools in Kiminini sub-county, Trans-Nzoia County.

LITERATURE REVIEW

Empirical Review

Budgeting and Academic Performance

Hemsing and Baker (2013) in their study on the effects of tight budgetary control on managerial behaviour in the Swedish public sector noted that managers in the municipalities and universities experienced tight budgetary controls. As such, managers were less committed to their organization. The study however did not explicitly explain how budgetary control and management influenced management of funds at universities and municipalities. The study targeted managers from different municipalities and universities throughout Sweden.

Kapur (2018) studied Factors Influencing the Student's Academic Performance in Secondary Schools in India: University of Delhi. He suggests that the major determinants of academic performance include class participation, class assignments, tests, examinations and participation in extra curricula activities. Furthermore, pressure on the teachers and administrators from stakeholders to improve academic performance has enabled schools to come up with advanced strategies. Some of the strategies include effective teaching and learning methods, use of technology, promoting extra coaching, and rewarding students for good performance.

In another study, Coleman and Anderson (2000) examined decentralization and education service delivery in North Shewa region of Ethiopia. The authors noted that the school heads and finance committees ought to pay attention to basic budgeting tasks such as accounting procedures that reflect the true financial position of the school as well as internal and external controls and safety mechanisms that safeguard data from alterations and loss in line with the finance policy. Bua and Adzongo (2014) conducted a study in Zone A Senatorial District of Benue State, Nigeria to investigate the impact of financial management on secondary schools

administration. The study concluded that prompt payment of staff salaries and allowances had significant impact on the management and performance of secondary schools. Furthermore, the researchers established that school fees and other generated revenues had significant impact on the provision of instructional materials.

Hansraj (2007) conducted a study to investigate the role of principals in financial management in South Durban in South Africa. The study noted that the school principals and school governing bodies had the responsibility of ensuring that financial resources were well utilized for the optimum performance of all sectors including academics. The study emphasized prudent financial management through adequate budgeting, transparency in procurement and purchases, accountability and adequate allocation of the available resources in order to enhance the performance of the set objectives.

Miriti and Wangui (2014) studied financial management in the context of training needs of public secondary school principals in Machakos County. The study intended to suggest areas for development of effective training programs for principals in order to enhance prudent financial management of resources. The target population was principals from public secondary in Masinga Sub-County. It was noted that financial management remained a challenge for most of the surveyed schools. Moreover, training programs on financial management were ineffective. The study recommended that effective financial management training programs should be developed based on the needs. Asemah (2010) argues that financial management in schools implies the identification of the sources of school finance, fund raising, methods of funds collection, and effective application of revenues to the school system in order to achieve the stated goals and objectives.

Internal Controls and Academic Performance

Lewin (2014) in his study on financing education in Asia: profiling participation and financing towards 2030, noted that in Asia, most countries now enroll almost all children in school, with the majority completing the first cycle of basic education. Asia is geographically diverse, comprising of larger countries such as India, low-income countries like Bangladesh and Pakistan as well as some of the smallest and wealthy countries like Singapore and Brunei. The study concluded that the development of the Pacific Rim Asian countries in the latter part of the 20th century was the result of sustained investment in education focused on learned capabilities and cognitive competencies. The researcher further noted that future financing of education in Asia should build on this foundation and extend the benefits of mass access to education to the populations that are still marginalized and ensure that future expansion is pro-poor and makes use of the latent talents of all citizens in ways that are efficient, effective and equitable.

Hemsing and Baker (2013) investigated the effects of budgetary control on managerial behaviour in the Swedish public sector. The target population were managers from various municipalities and universities throughout Sweden. The study noted that managers in the municipalities and universities experienced tight budgetary controls. Apart from improving efficiency, this trend ensured that the institutions met their obligations hence leading to better performance in all sectors. Walela (2015) in his study noted that managers of secondary schools in order for them to manage their finances well ought to look ahead, establish priorities and plan the activities in the school. He observed that effective school financial management is brought about by clear long term plans and priorities. It is important that clear plans for spending the limited funds are drawn. Therefore, it is expected that for this study, budget participation would enhance the financial management of the schools.

Ogunshola and Adewale (2012) on the other hand, found that there is a close relationship

between parent's occupation and children's academic outcome. Parents with relatively high incomes are likely to support their children's education hence motivating them to achieve better grades in school. A study done by Lewin (2008) on Financing Education in Mauritius, explained that educational subsidies make secondary education more accessible, improve retention and completion rates and empower the learners to perform well in their studies. Studies have shown that financial resource management play a key role in the performance of the intended school goals and objectives.

In 2015, a study by Muthoki (2015) in Mtito-Andei Division, Kibwezi sub-county, Makeni County found out that government subsidies helped students to access secondary education, improved retention, completion, and subsequently led to high academic performance. Another study conducted by Onuko (2012) on the impact of bursary schemes in Gem, Siaya County found out that there were high retention rates in day secondary schools. Through the devolved system, the County Bursary Fund, under the County Ministry of Education and Youth Affairs assist students to access and remain in school hence leading to better academic performance at the end of the four-year cycle.

A study conducted by Mwanzia (2013) sought to ascertain the effect of corporate governance of financial management of Constituency Development Fund (CDF) in Kenya. The study focused on Nairobi County. Descriptive survey design was used in the study. A sample of 120 CDF members was obtained. The study found out that governance enhances proper management of funds. It was further noted that budget, internal controls and financial reporting enhance financial management of the CDF funds in Nairobi County. The researcher recommended that CDF ought to improve the budgeting practices to further improve financial management.

A Study conducted by Njau (2013) on the Effect of Secondary Education Bursary Fund on Access and Retention of Students in Public Secondary Schools in Juja Constituency, Kiambu County Kenya found out that Secondary Education Bursary has led to high retention and completion rates in day secondary schools. The researcher observed that following the changes in the allocation mechanisms since 2003, claims of misallocation of funds, double awards to one student in two schools, awards to students not enrolled in any school, as well as excessive patronage by members of parliament were minimal hence a significant improvement in the management of bursary to needy students in public schools. The internal resource control of an organization is to ensure efficiency, effectiveness of activities, reliability of information, compliance with applicable laws and timeliness of financial reports (Jokipii 2009 and Changahit et al, 2001).

Theoretical Framework

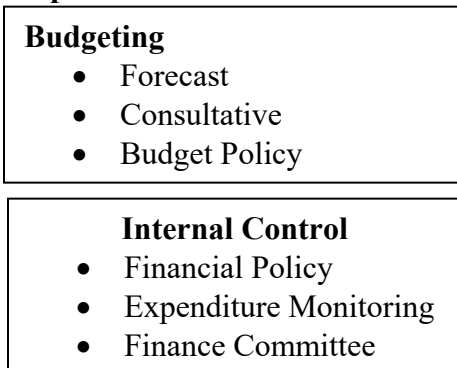
The Bucket Theory of Financial Management developed by Dr. Barbara Rowe, with Kay W. Hansen and Marsha M. Peterson in 1990 anchors the study. The Bucket theory of Financial Management is an approach to planning a family's financial future. Through this theory families can set and reach their financial goals and build a sound financial foundation. They suggest that for one to become financially stable is a very attainable goal. One can achieve it through systematic use of common-sense approach. According to Rowe Kay and Marsha, Bucket Theory talks about five buckets hanging in stair step fashion, each below and a little to the right of the one above it. As water flows into the top bucket the bucket begins to fill. When it reaches its capacity, the water flows over the edge and into the second bucket. The process continues until all the buckets are filled.

The assumption is that the five buckets represent basic financial needs and priorities. The first one being basic needs such as food, shelter and clothing and investment of surplus finances. The

water that flows from bucket to bucket represents the resources that are owned by the families. To build a sound financial base for a family, each bucket must be filled before resources are diverted to the next one. This “bucket theory” of financial management is a common-sense approach to planning a family’s financial future, (Rowe et al, 1990). This theory is relevant to this study since schools can use it when planning for their financial resources moving from basic needs including food, teaching/learning materials such as textbooks, laboratory equipment, and stationeries to other needs like investing in infrastructure.

Conceptual Framework

Independent variables



Dependent variable

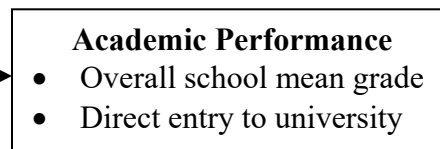


Figure 1: Conceptual Framework

Source: Researcher, (2023)

METHODOLOGY

The study used a cross sectional research design to collect data across all the public secondary schools in Kiminini sub-county. This research design was appropriate because it is used to collect data when the target population is widely spread (Creswell, 2012). The target population of the study included all the 58 registered public secondary schools in Kiminini sub-county according to the Trans-Nzoia County Education Office. In each school, the sampling frame included the principal, deputy principal, accountants/bursar and chairman board of management giving a total of 232 participants. The schools was randomly selected into the study sample using simple random sampling technique.

The sample size of 146 was calculated using Slovin’s formulae as follows:

$$n = N / (1 + Ne^2)$$

Structured questionnaire was used to gather primary data. Secondary data was collected from academic reports, books, journals, published and unpublished thesis, articles and magazines among others. Quantitative and qualitative data methods was used in this research. After cleaning, coding and editing, the data was analyzed descriptively and inferentially with the help of SPSS software.

RESULTS AND DISCUSSION

Response Rate

The study aimed to reach 146 respondents. Out of the distributed 146 questionnaires, 40 questionnaires were not filled fully thus were disregarded while 106 were fully filled and returned translating to a reply rate equal to 72.60%. This rate of response is within the statistically significant response rate for analysis and generalization of findings to the whole population (Mugenda & Mugenda, 2003).

Descriptive Statistics

Budgeting and Academic Performance

The respondents were required to indicate the extent to which they agreed with the statements on how budgeting influence academic performance in public secondary schools in Kiminini sub-county, Trans-Nzoia County, Kenya. The Findings are shown in Table 1.

Table 1: Budgeting

	Mean	Std. Dev.
Financial resources are used to forecast the future and therefore good for planning	4.5093	0.50224
Budgets are used to communicate to other levels in the departments	4.3056	0.71641
The institution issues budget guidelines prior to the preparation of the budget	4.1944	1.0135
All the staff participate in the preparation of the budget and discussions within their departments	4.1111	0.95049
Support provided to the subordinate staff during the school term is effective	4.0463	1.16674
The management can be able to overcome the challenges of budget implementation	3.9444	0.86287
That school principals and school governing bodies have the responsibility of ensuring that financial resources are well utilized for the optimum performance	3.5278	1.03633
Overall Mean	4.0913	

Source: Field Data, (2023)

To a great extent with a mean greater or equal to 4 and standard deviation greater than 0.5 financial resources are used to forecast the future and therefore good for planning (4.5093), budgets are used to communicate to other levels in the departments (4.3056), the institution issues budget guidelines prior to the preparation of the budget (4.1944) and the staff participate in the preparation of the budget and discussions within their departments (4.1111), support provided to the subordinate staff during the school term is effective (4.0463). The respondents also to a great extent with an average less than 4 and a standard deviation less 0.5 indicated that the management can be able to overcome the challenges of budget implementation (3.9444) and that school principals and school governing bodies have the responsibility of ensuring that financial resources are well utilized for the optimum performance (3.5278). This means that budgeting influence academic performance in public secondary schools largely with an overall mean of 4.0913. This finding is in line with Hemsing and Baker, (2013); in their study on the effects of tight budgetary control on managerial behaviour in the Swedish public sector noted that managers in the municipalities and universities experienced tight budgetary controls. As such, managers were less committed to their organization. The study however did not explicitly explain how budgetary control and management influenced management of funds at universities and municipalities. The study targeted managers from different municipalities and universities throughout Sweden.

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strategies. Some of the strategies include effective teaching and learning methods, use of technology, promoting extra coaching, and rewarding students for good performance.

Ahmed, Babar and Kashif, (2010) conducted a study on the effect of financial management practices on organizational performance. The authors sought to establish the relationship between organizational performance and financial management practices among listed companies in Pakistan. Financial management practices that featured were working capital management, capital structure decisions, dividend policy among others. The finance executives and financial analysts were targeted. The study concluded that financial management practices positively influenced organizational performance among the surveyed companies.

School financial management strategies and skills reflect the level of outcome in terms of students' academic performance. Birimana and Orodho (2014), in their study conducted in Huye District - Rwanda, established that there is a positive and significant correlation between effective management of teaching and learning resources and teacher efficient classroom management, content delivery and eventual students' academic performance. They argue that resource management strategy is the efficient and effective deployment of an organization's resources when they are needed and are very critical to enhanced academic performance in schools. Such resources may include financial resources, inventory, human skills, production resources, or information technology. It consists of analysis, decisions, and actions an organization undertakes in order to create and sustain competitive advantages (Birimana & Orodho, 2014).

In another study, Coleman and Anderson (2000) examined decentralization and education service delivery in North Shewa region of Ethiopia. The authors noted that the school heads and finance committees ought to pay attention to basic budgeting tasks such as accounting procedures that reflect the true financial position of the school as well as internal and external controls and safety mechanisms that safeguard data from alterations and loss in line with the finance policy. Bua and Adzongo (2014) conducted a study in Zone A Senatorial District of Benue State, Nigeria to investigate the impact of financial management on secondary schools administration. The study concluded that prompt payment of staff salaries and allowances had significant impact on the management and performance of secondary schools. Furthermore, the researchers established that school fees and other generated revenues had significant impact on the provision of instructional materials.

Internal Controls and Academic Performance

Internal controls is one of the financial resources management identified by the respondents. The participants were asked to state the extent to which they agreed on the statements on internal controls being adopted by public secondary schools in Kiminini sub-county. The Findings are shown in Table 2.

Table 2: Internal Controls

	Mean	Std. Dev.
Financial resources are used to control other resources	4.420	0.793
The school has a finance and accounting policy	4.362	1.008
School expenditures are in line with budgeted finances	4.167	0.7745
There is regular monitoring of expenditure during budget implementation	4.140	0.7838
Corrective measures are taken in case of significant budget variations	3.753	1.101
The school has an active finance committee	3.624	1.018
The internal control ensures efficiency, effectiveness of activities,	3.215	1.533

reliability of information, compliance with applicable laws and timeliness of financial reports

Overall Mean

3.9544

Source: Field Data, (2023)

The respondents to a great extent with a mean greater or equal to 4 and standard deviation greater than 0.5 indicated that the financial resources are used to control other resources (4.420), the school has a finance and accounting policy (4.362), the school expenditures are in line with budgeted finances (4.167), there is regular monitoring of expenditure during budget implementation (4.140).

To a great extent with a mean less than 4 and standard deviation less 0.5, the respondents indicated that the corrective measures are taken in case of significant budget variations (3.753), the school has an active finance committee (3.624), and the internal control ensures efficiency, effectiveness of activities, reliability of information, compliance with applicable laws and timeliness of financial reports (3.215). This makes it clear that the public secondary schools in Kiminini sub-county applies internal controls to a great extent with a general average of 3.9544.

This finding is consistent with that of Lewin (2014) in his study on financing education in Asia: profiling participation and financing towards 2030, noted that in Asia, most countries now enroll almost all children in school, with the majority completing the first cycle of basic education. Asia is geographically diverse, comprising of larger countries such as India, low-income countries like Bangladesh and Pakistan as well as some of the smallest and wealthy countries like Singapore and Brunei. The study concluded that the development of the Pacific Rim Asian countries in the latter part of the 20th century was the result of sustained investment in education focused on learned capabilities and cognitive competencies. The researcher further noted that future financing of education in Asia should build on this foundation and extend the benefits of mass access to education to the populations that are still marginalized and ensure that future expansion is pro-poor and makes use of the latent talents of all citizens in ways that are efficient, effective and equitable.

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Ogunshola and Adewale (2012) on the other hand, found that there is a close relationship between parent's occupation and children's academic outcome. Parents with relatively high incomes are likely to support their children's education hence motivating them to achieve better grades in school. A study done by Lewin (2008) on Financing Education in Mauritius, explained that educational subsidies make secondary education more accessible, improve retention and completion rates and empower the learners to perform well in their studies. Studies have shown that financial resource management play a key role in the performance of the intended school goals and objectives.

A study conducted by Mwanzia (2013) sought to ascertain the effect of corporate governance of financial management of Constituency Development Fund (CDF) in Kenya. The study focused on Nairobi County. Descriptive survey design was used in the study. A sample of 120 CDF members was obtained. The study found out that governance enhances proper management of funds. It was further noted that budget, internal controls and financial reporting enhance financial management of the CDF funds in Nairobi County. The researcher recommended that CDF ought to improve the budgeting practices to further improve financial management.

Junge, Bosire and Kamau (2014) in their study analysed the effect of budgetary practices on performance of public secondary schools in Nakuru municipality. The 22 public secondary schools in the municipality were targeted. The study noted that budget practices such as budget control and allocation positively influenced performance of the schools. It was also noted that budget allocation and annual budget planning were important aspects that improved financial management in organizations in the public sector. Fundraising has traditionally been an activity that many parent groups have undertaken very successfully over the years and have raised a lot to support their children's schools. In their discussions of the school development plan, the Board of Management may identify particular items or activities that would benefit from additional funding. There may be discussions about what the priorities are and these can then be shared with parents. Once targets are set, it may be effective to form a fundraising sub-committee. Some parents will have particular talents in that area and it may be a way of involving a wider group of parents to help with specific activities.

Proper internal resource control system ensures that the school principal would utilize the financial resources in a way that will safeguard the interest of the donors and contributors. According to Jajo (2005), controls in general involve authorization, segregation of duties, record keeping, safeguarding and reconciliation. Paisely (1992), observed that the survival of an organization depends on effective financial control. He further noted that managers should adopt rules and regulations so as to prevent fraud, anticipated overspending and have a continuous and accurate knowledge of the overall financial position.

Mobegi et al (2012), in his study noted that more than 58% of BOG chairpersons, principals, HOD's and Bursars/accounts clerks who were involved in the study concluded that weak internal control mechanisms were the major factors contributing to financial mismanagements. This was evidenced by the fact that at the time of the study, receipting of school money had a problem because fee registers were missing; schools had no trained storekeepers and school property was kept in deputy head teacher's offices. The researchers concluded that all these situations led to loopholes for mismanaging school finances. Therefore to have a successful learning institution requires proper accounting records and appropriate management control system. However, despite the efforts in managerial skills as evidenced by the reviewed literature, there are still grey areas in terms of resource allocation and utilization for the improvement of students' academic performance which this study attempted to address.

Inferential Analysis

Correlation Analysis

The researcher conducted a Pearson moment correlation in order to determine the correlation of the study variables and results presented in Table 3.

Table 1: Correlation Analysis

		Academic Performance	Budgeting	Internal Controls
Academic	Pearson Correlation	1	.718*	.849**

Performance	Sig. (2-tailed)		.045	.008
Budgeting	Pearson Correlation	.718*	1	.937**
	Sig. (2-tailed)	.045		.001
Internal Controls	Pearson Correlation	.849*	.937**	1
	Sig. (2-tailed)	.008	.001	

Source: Field Data, (2023)

As shown in Table 2 there is a positive correlation in the academic performance of magnitude 0.718 with budgeting and 0.849 with internal controls.

Regression Analysis

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.857 ^a	.734	.716	.053106

a. Predictors: (Constant), Internal Controls and Budgeting

Source: Field Data, (2023)

From the model summary, the R square (coefficient of determination) is a commonly used statistics to evaluate model fit. The results of the regression analysis indicate that R^2 was .734 or 73.4 %. This shows that budgeting and internal controls explain 73.4 % of the changes in the dependent variable (academic performance). The model has a correlation coefficient (R) of 0.857 and co-efficient of determination (R-square) of 0.734 signifying a positive relationship between two variables. This implies that the regression model has very good explanatory and predictor grounds.

Table 5: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	31.436	2	15.718	69.589	.001 ^b
Residual	23.278	103	.226		
Total	54.714	105			

a. Dependent Variable: Academic Performance

b. Predictors: (Constant), Internal Controls and Budgeting

Source: Field Data, (2023)

From the findings on Table 5, the significance value is 0.001, which is, less than 0.05 thus the model is statistically significant in predicting the effects of the adopted financial resources management on academic performance. The F critical at 5% level of significance was 5.31. Since F calculated (value = 69.589) is greater than the F critical (5.31) this shows that the overall model was significant.

Table 3: Coefficients^a

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.817	.490		3.708	.000
Budgeting	1.023	.629	1.278	1.626	.005
Internal Controls	1.253	.474	1.405	2.643	.002

a. Dependent Variable: Academic Performance

Source: Field Data (2023)

From the findings in the regression analysis, if the factors (budgeting and internal controls) were held constant, academic performance would be 1.817. A unit rise in budgeting response would lead to a rise in academic performance by 1.023. A unit increase in internal controls would lead to an increase in academic performance by 1.253.

Conclusion

This study analyzed the influence of financial resources management on academic performance in public secondary schools in Kiminini sub-county, Trans-Nzoia County, Kenya. From the inferential statistics, it was concluded that budgeting and internal controls explain 73.4 % of the changes in academic performance. There was a positive relationship between financial resources management and academic performance in public secondary schools in Kiminini sub-county.

Recommendations

The study recommends that the principal, deputy principal, accountants/bursar and chairman board of management of public secondary schools in Kiminini sub-county adopts the financial resources management extensively as it has established the positive effect in academic performance.

From the findings, the study recommends that effective budgeting such as forecast, consultative and budget policy is necessary for enhanced academic performance. Therefore, the management of public secondary schools in Kiminini sub-county should strive to embrace effective budgeting to improve academic performance.

Guided by findings and conclusions on internal controls, the study recommends an enhanced financial policy, expenditure monitoring and finance committee. The application of internal controls would build a strong and continuous management collaboration platform to enhance academic performance.

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