

PUBLIC FINANCIAL MANAGEMENT PRACTICES AND FINANCIAL REPORTING COMPLIANCE AMONG SECONDARY SCHOOLS IN KENYA

Enock Mutua.

Student, Department of Accounting & Finance, School of Business, Economics and Tourism, Kenyatta University, Kenya.

Dr. Salome Musau (PhD).

Senior Lecturer, Department of Accounting & Finance, School of Business, Economics and Tourism, Kenyatta University, Kenya.

©2026

International Academic Journal of Economics and Finance (IAJEF) | ISSN 2518-2366

Received: 19th May 2026

Published: 6th June 2026

Full Length Research

Available Online at: https://iajournals.org/articles/iajef_v5_i3_347_374.pdf

Citation: Mutua, E., Musau, S. (2026). Public financial management practices and financial reporting compliance among secondary schools in Kenya. *International Academic Journal of Economics and Finance (IAJEF) | ISSN 2518-2366, 5(3), 347-374.*

ABSTRACT

The government of Kenya has prioritized inclusive and equitable education to promote lifelong opportunities which adheres to achieving the fourth Sustainable Developmental Goal which states quality education for all. Despite the commitment of Kenya Government to invest heavily in education sector, many public secondary schools are facing financial crisis leading to serious challenges in delivery of quality education. This study sought to examine the effect of Public financial management practices on financial reporting compliance. The study was anchored on Agency, Stewardship and budgeting theories. Descriptive survey research design was employed to obtain both qualitative and quantitative data. Stratified random sampling was employed to select 385 principals, accounts clerks, and Boards of Management (BOM) chairpersons Data collected was analyzed using descriptive statistics such as frequencies, percentages, means and standard deviations, and inferential statistics including

correlation and multiple regression analysis. The study concludes that public financial management practices cash management, budgeting, internal controls, and risk management collectively had positive significant effect on financial reporting compliance in public secondary schools in Kenya. The study recommends that the Ministry of Education should develop a comprehensive Public School Financial Management Policy Framework that integrates budgeting, cash management, internal controls, and risk management into a unified accountability system. This framework should be supported by continuous training, strict audit enforcement, and digital financial management systems to enhance transparency, efficiency, and financial reporting compliance.

Key words: Budgeting, Cash Management Skills Internal Control Systems, Public Financial Management (PFM), Risk Management.

INTRODUCTION

Comprehensive budgeting helps in utilizing resources well and still meet financial regulations as Kalume & Ng'ang'a (2024) note, especially when stakeholders take part and progress is tracked regularly. According to the Public Financial Management Reforms Secretariat (2022), managing risks strategically supports public organizations in making the most of opportunities while at the same time reducing chances of negative outcomes. Therefore, instead of being reactive, secondary schools benefit by preparing early for possible issues through practices of risk management that are proactive. Consequently, such actions ensure that schools follow laws, allocate resources optimally and uphold stability in their finances.

Different models were applied in the recent studies on financial practices within Kenya's public high schools. For example, one project in Mandera looked at how budget reporting affects financial management. Therefore, financial oversight according to Alio et al. (2019) depends heavily on following set budget rules using ideas from prudent finance and zero-based budgeting. Further, researchers relied on Residual Equity, Institutional, and Contingency concepts to explore whether planning, recordkeeping or internal checks impact fiscal outcomes in Makueni County. These actions as per Manei & Omagwa, (2019) and Sipenji et al.(2024) significantly boosted financial outcomes. Moreover, when looking at how stakeholders affect budget choices in Kericho County, it was established by Gitonga et al. (2023) that when stakeholders are involved, it leads to a stronger fiscal control and lower levels of embezzlement. Consequently, such work underscores how theoretical models can support better practices of financial management in schools.

Globally, managing school funds effectively affects how good high school education can be. In wealthier developed countries, regulations tightly control funding so that it's transparent and efficient. Instead of just giving cash, systems like results-driven budgets according to Waddell (2017) are now used in places such as the United States and United Kingdom so that resource utilization will be enhanced. However, poorer nations as World Bank (2020) state, still struggle with weak finances or misallocation of resources.

In Africa, secondary schools manage finances in various ways. However, several face shortages, poor resource use and oversights that are weak. Research from Nigeria and Rwanda indicates school funding methods like Ugiriwabo et al. (2023) note, strongly affect learning outcomes because proper spending improves infrastructure, supplies and staff development. In Rwanda, schools were seen to improve classroom results by Ajol (2023) as they focused on staff education and teaching instructional aids. This is especially so when they knew how handle their money well. In Kenya, financial reporting continues to pose challenges in public secondary schools. It is evidenced by widespread funds mismanagement as Kenya Institute for Public Policy Research and Analysis (KIPPRA, 2020) and the Ethics and Anti-Corruption Commission (EACC, 2021) report. For example, school leaders take money from student accounts without permission as funding Nyakundi et al. (2013) state. Furthermore, some students are fraudulently enrolled so that more funds can be drawn. According to IA Journals (2023), nearly 60% of resources meant for Kilifi County were wasted. Consequently, this pointed to issues with financial controls and accounting.

Financial Reporting Compliance

The idea of compliance in PFM as Guthrie, Olson and Humphrey (2020) state, involves following various rules, laws, or policies tied to handling public money. It helps public bodies stay within legal boundaries set by the government and also global norms when relevant as Pilcher and Dean (2023) puts forth. Sticking to budgetary laws, procurement procedures, and standards of financial reporting and requirements of audit falls under this practice. Therefore, as a result, these public

institutions may adopt structured ways of managing finances so that there is even less to no probability of misuse, fraud and unethical behavior.

Solid institutions like laws, regulators and audits according to Schick (2021) are the solid institutions which help ensure adherence. Further, where such bodies exist, corruption and mismanagement is less common. It therefore supports public finances with integrity. In addition, commitment from leaders is said by Fozzard (2023) to be very key in following PFM rules. Where leaders support transparency, better FM systems often follow. As a result, citizens who are informed can demand practices that are more responsible.

Accordingly, Financial Management (FM), as highlighted by OECD (2021), involves systems which ascertain public funds are spent transparently and correctly under existing set regulations. World Bank (2022) points out that a PFM that is effective may assist secondary education via clearer funding methods. This thus helps in steering investments in a better manner towards teaching outcomes. On the one hand, discipline in finances is boosted when sound financial practices are constantly realized. Moreover, it minimizes the possibility of mismanagement, yet it enhances trust in the public institutions, according to IMF (2023).

The public financial reporting regulations are evaluated in different ways. Regarding accountability, Zafra-Gomez et al. (2021) mention that it is evaluated based on the openness, consistency, and the engagement of stakeholder. Regarding efficiency, the focus is on cost vs outcomes, financial standards, as well as budget usage rates according to Moynihan and Kroll (2022). When it comes to compliance reviews, van Helden and Uddin (2023) state that legal frameworks establish an opening point, audit compliance rates and rating evaluation of regulations. Transparency in fund management demands that schools become transparent as they explain how they use their funds. According to Ntim et al. (2021), audits and report are the indicators of the responsibility of a school. Both reflect real practices. Additionally, both frequent and transparent financial communication to the authorities increases confidence. Closer accountability is depicted by accurate and updated records. Nonetheless, periodic external examination as well as periodic in-house audits monitor progress over time. The involvement of citizens through transparent reports of finances or through consultative budgeting processes according to Moynihan and Kroll (2022) is helpful in the process of oversight. Therefore, trust is created gradually as people are able to see how money is spent.

Effective financial management allow schools to deploy funds more effectively. This enhances the learning process. The amount of the budget that is actually expended in every year that is referred to as absorption rate reveals the efficiency with which resources are used. Increase in spending levels is usually an indication that the money is being spent in the right way. Another indicator, the cost per student, as suggested by Kim and Zhang (2020), reveals the presence or absence of actual benefits of investments in academic outcomes.

Compliance is a term that is used to mean that schools adhere to government financial rules and regulations. The degree to which such rules are utilized demonstrates the adherence levels to the standards. In addition, the frequency at which any errors are found in audits also reflects the level of adherence that is as great as the frequency of policy violations.

Public Financial Management Practices (PFM)

PFM also involves systematic approaches, principles and control systems that governments are using when gathering, allocating, utilising and tracking money. The idea behind this is to achieve targets in service delivery. The activities comprise budget planning, provision of financial updates, resource allocation and expense management which according to Muriithi and Mungai (2021), all lead to a steady fund flow. In addition, it enhances resources' utilization in the secondary schools, increases teaching quality as well as ensuring that the funds used in the schools are utilized in a responsible manner as Ngugi (2022) says. According to Kariuki and Mwirigi (2023), the provision of credible PFM practices in classrooms justifies educational performance that is enhanced and stability of the school that is enduring.

According to some experts, the development of financial practices occurred since economies, rules as well as technology changed. To illustrate this point, Luhabe (2021) indicates that the strategic foresight and the management of risks could be useful in enhancing the utilization of resources in schools. Similarly, Mwangi (2022) highlights budget planning, monitoring along with openness facilitates fiscal responsibility. In addition, regarding the management of a fund that belongs to the people, Kinyua (2023) asserts that the transition by Kenya to a system that is decentralized reformed the way a school pursued its finances. He further added that stronger systems and effective decision-making is important in achieving good outcomes. Therefore, these works suggest progress in managing school finances depends on both internal and external variables, such as policy frameworks and leadership.

In secondary schools, PFM practices cover multiple parts. Every part supports fiscal control that is successful and proper use of resources. Therefore, budget forms a base, according to Bala & Nwankwo (2020), procurement systems follow closely, as shown by Mwangi & Mutisya (2021). Further, there is recording-keeping of financial transactions as Kipkemoi et al. (2022) stress. Moreover, financial reporting according to Ngugi & Muriithi (2023) matters because it shares financial status clearly with involved parties. Meanwhile Wambua & Macharia (2024) explain that managing cash flow keeps the operations of the school to run smoothly without any financial pressure. Additionally, to reduce risk, as Omondi & Okwach (2025) point out, internal checks are applied. Consequently, they limit probability of mismanagement and fraud. Finally, rather than assuming rules work automatically, regular evaluation and monitoring as Mutinda and Mulwa (2020) say, improves transparency and still meets compliance.

Risk management is a structured process for identifying, assessing and managing the risks that might impact financial performance. Detecting issues like fraud, misallocation of funds, spending that is unanticipated as Okello and Njeru (2020) note, forms part of this work. Schools then apply actions to lower these dangers. Furthermore, when done well, it helps institutions see financial hurdles ahead and therefore it will help setting up responses beforehand. This will consequently ensure that operations are smooth and that major setbacks are avoided. Moreover, institutions using solid strategies of managing risks often build financial systems that are resilient which are therefore able to handle sudden disruptions. In this study, risk management will be indicated by risk identification, assessment, mitigation planning and monitoring.

Budgeting means planning how money is used across school tasks. This process as Muriuki (2022) notes, helps institutions manage funds well in order to meet set targets. Therefore, Kenyan secondary schools must draft annual budgets that reconcile teaching aims to available finances. Good budgeting includes forecasting revenue, directing cash to various units and then comparing real use against planned amounts. As Gikonyo and Kiprotich (2020) note, it supports proper funding of key areas like educational materials, infrastructure and staff. Effective budgeting was measured by Kamunge (2016) through availability of financial backing, capital, workforce involvement, trained personnel and motivation during planning stages. Indicators of budgeting practices such as participatory budgeting, realistic projections, monitoring mechanisms and budget controls will be examined by this review.

The practice of cash management is critical in the management of finances. This is because assures openness, accountability and smart use of public funds. In educational institutions, prompt and precise financial records are reported by Wambua (2021) to help administrators, interested parties and regulators assess fiscal status and results. This is because statements that are of high quality offer clear views on income, spending and general stability. Consequently, better choices are supported. Furthermore, institutions while applying proper reporting standards as Ngugi and Mulu (2021) note, show dedication to openness and answerability. This consequently builds trust among groups such as parents, government officials and sponsors. Timeliness, accuracy, transparency and compliance will be used as measures of quality financial reporting in this study.

Internal control systems according to Kihoro (2023), are organized processes in institutions meant to protect assets, ensure that financial reporting is accurate and support following laws and rules. Therefore, in high schools, these controls include separating duties, authorization procedures and audit checks. Consequently, they help avoid money misuse or dishonest actions (fraud). Furthermore, internal controls that are properly run boost trust in accounting data as it becomes reliable as Muriuki (2022) notes. Moreover, funds are spent properly under school policies. Additionally, a solid internal control setup helps reduce financial risks and still preserve public confidence in the school administration. In line with this, this review will adopt segregation of

duties, asset safeguarding, audit mechanisms and authorization controls as measures of risk management.

Secondary Schools in Kitui County

According to the 2020 study “*Status of Secondary Education in Kenya*” by Abuya, Maina, and Ogola, public secondary schools in Kenya are defined as secondary institutions that are government-funded and managed under the Ministry of Education. These schools operate within the national education framework, receive capitation grants and are governed by Boards of Management appointed in line with ministry guidelines. They serve the majority of Kenyan learners and are central to the country’s efforts to expand access, equity and quality in secondary education. Munyao and Wambua (2023) state that secondary schools in Kitui County have difficulties in public funds’ management due to inadequate preparation, internal procedures, or clarity about how the money will be distributed. Many schools still have trouble being accountable and following the rules when it comes to their finances, which leads to subpar service delivery (Republic of Kenya, 2021).

The sole solution to such issues lies in improving transparency alongside efficiency in handling funds. In Kitui County, Kenya, secondary schools are very essential within national youth learning frameworks. Funding for most public secondary institutions comes through the Free Day Secondary Education initiative, according to MOE (2024). Private schools there receive monetary aid from various independent channels.

MOE oversees these secondary schools guided by the Basic Education Act (2013) along with related rules. Its principal role in providing solid secondary learning involves ensuring that funds are managed wisely, promoting students’ development in various areas and still sticking to the national curriculum. These schools need to ensure public money such as government grants, charity contributions or fees as highlighted by Republic of Kenya (2020) is spent correctly and effectively.

Further, financial management that is effective as noted by Mwangi and Njiru (2023) is key in lasting success, fair educational opportunities and learning results that are improved. Therefore, in a bid to improve openness also performance standards, Waweru & Muturi (2021) writes that the Public Finance Management Act (2012) mandated schools need to follow set rules while handling public funds.

The secondary schools in Kitui County face major impacts from how funds are handled along with PFM results. A public financial management that is effective according to Munyao and Wambua (2023) is signaled by clear budgeting processes, openness in plans, solid internal checks and reliable reporting. Ndung’u & Mutua (2022) goes on to say that when institutions implement strategies of managing finances that are stronger, efficiency in allocating resources rises. This

consequently improves student achievement, speedier service delivery improve and financial stability that is sustained.

Statement of the Problem

Public secondary schools in Kenya still face ongoing issues due to poor financial monitoring, minimal stakeholder input, weak technical skills and financial reporting that is delayed. Further, School Boards of Management (BOMs), meant to handle checks and balances are found by Garcer, Mestry, and Motala (2024) to usually lack basic finance knowledge. As a result, principals are led to act alone on financial decisions. Moreover, modern tools like online platforms or digital records remain underused in school finances, which as Roberts and Kofi (2022) and Waweru and Ogola (2021) report, worsen gaps in planning, procurement, and reporting.

Research mostly focuses on financial mismanagement in big schools like Nyaga and Mugambi (2023) and Okello (2022) do, ignoring tough economic conditions in remote places such as Kitui County. As a result, inadequate infrastructure, lack of learning resources and low funding for learner assistance remain widespread as Njiru (2023) reports. These are all indicators of declining public funds usage. Nevertheless, despite reformation efforts to adjust financial systems, Mwangi (2021) and Ngugi and Nyongesa (2020) observe that the institutions continue to face internal controls that are weak, oversight, misappropriation, and procedure of resource allocation that are not clear.

The available literature has a number of conceptual gaps. The notion that accountability is achieved by simply improving reporting as Wekesa and Muturi (2024) assert, does not take into account other more substantive ethical and cultural elements that are critical to good PFM.

Moreover, the way in which financial systems can change over the longitudinal periods has also not been paid much attention in the researches such as those conducted by Wanjiku and Ndungu (2025) and Kariuki and Kinyanjui (2023). Even though temporary benefits are reported, long term consequences of reforms such as improved reporting, employee training or risk management are yet to be spelt out. In addition, other research indicates poor knowledge on how different components of PFM relate such as budgeting and internal controls. Some of the analyses, such as those by Wambua and Nyambura (2022) and Odhiambo and Wekesa, (2024) do not combine these elements. Thus, this is because they will not see the whole picture of their interaction in forming wider financial management.

Contextually, many studies centered on cities, and thus the findings are inapplicable to such places as Kitui County where the digital infrastructure is underdeveloped, and the economic demands are different (Otieno and Mugo, 2020; Mwangi and Wanjala, 2021; Musimbi and Karanja, 2023; Ouma and Karanja, 2020; Kirimi and Wanyonyi, 2023; Ndungu and Kibet, 2 Hence, due to this prejudice, actual plights within rural state high schools frequently escape detection like poor technological availability, scarcity of resources and local needs. Moreover, very little is said about

the awareness of school leaders or employees on money issues, and it has been left out in management of such finances (Mwangi and Wanjala, 2021; Mwangi and Mutai, 2023). Moreover, the regional variations regarding the functioning of the education systems as the case of Ouma and Karanja (2020) has not been well researched.

Then methodologically, the studies tend to overlook the stakeholder view (Kiptoo et al., 2022; Owino, 2020) and ignore the use of the real-life financial reporting or spending data (Odhiambo, 2023), opting to rely mostly on surveys and discussions. The lack of longitudinal studies is also another methodological gap, which does not allow understanding the long-term effects of financial interventions in a broad sense (Wanjiku and Ndungu, 2025; Kariuki and Kinyanjui, 2023). Hence, this study aims to close these gaps by focusing on secondary schools in Kitui County, reviewing their financial management practices and financial reporting compliance.

Objectives of the study

General objective

The main goal was to determine the effect of public financial management practices on financial reporting compliance of public secondary schools in Kitui County, Kenya

Specific objectives

- i. To determine the effect of cash management practices on financial reporting compliance of public secondary schools in Kitui County, Kenya
- ii. To establish the effect of internal control systems on financial reporting compliance of public secondary schools in Kitui County, Kenya
- iii. To ascertain the effect of budgeting practices on financial reporting compliance of public secondary schools in Kitui County, Kenya
- iv. To determine the effect of risk management practices on financial reporting compliance of public secondary schools in Kitui County, Kenya

LITERATURE REVIEW

Theoretical review

Agency Theory

This was proffered by Jensen and Meckling (1976). It helps explain how organizations manage finances when they hand over decisions to others. It further suggests that relationships between principals like governments or school boards and agents such as headteachers - are often complicated. This is because these agents might act based on personal goals rather than organizational needs. Therefore, this idea applies especially in state-funded high schools where public money is involved. This is because without strong oversight, Kariuki (2021) notes that individuals may focus more on self-interest than institutional success. Further, in order to meet stakeholder demands, school administrators should put up structures of accountability that are clear, regular checks and financial controls.

In order to handle issues that are linked interests that are mismatched, schools use tools like budgeting, procurement and oversight (internal controls). Institutions as Chepkemai et al. (2022) state, apply performance checks along with clear reporting methods to reduce those risks. Further, on behalf of local communities and state bodies, BOMs often set spending limits so money isn't wasted or stolen. Consequently, these actions ethical practices by aligning what leaders know with what staff do. Therefore, over time, these measures can help keep school operations reliable because it will have integrity and still be able to build confidence.

Recent studies like that of Mutua and Wanza (2023) suggest that public schools can use resources better when they follow protocols of financial management that are clear. Agency theory further states that systems of rewards and monitoring need to be established so that financial misconduct will be prevented. Therefore, when we take internal audits as an example, they help reveal issues early and still reduce chances for fraud over time. Consequently, when schools adopt such steps, they build stronger habits around financial practices and keep trust of their stakeholders. Therefore, because of this, the Theory still offers useful guidance for managing finances in public institutions. Moreover, gaining financial literacy training as Mwanzia & Muthomi (2024) state, can boost school leaders' skills while cutting down on mismanagement that is unintended. When institutions provide clear guidance and moral guidelines, staff tend to make better budget choices aligned with community goals. Furthermore, it supports setting rules that clarify roles more accurately, helping everyone stay on the same page. Therefore, from this view, balanced structures alongside active involvement from stakeholders matter greatly as schools in Kitui County handle increasing decentralized funds. Consequently, Agency Theory helps shape finance systems that can be depended upon and still point out the risks associated with delegating financial roles.

Stewardship Theory

Stewardship Theory suggests leaders naturally aim to serve their organization and those connected to it. This therefore present a view that is different from Agency Theory. Further, the theory was developed to respond to the limitations of Agency Theory. This is seen as it assumes that figures like school heads according to Kinyua and Omwenga (2022) act with loyalty, focus on group goals, support institutions, and can be relied upon. Therefore, when this idea is used in schools to manage finances, it means that officials should handle funds wisely without micro-managing it. As such, an approach like this fits well within public sector settings where moral guidance and dedication to service matter greatly. Furthermore, instead of monitoring structures that are strict, the theory supports creating environments which are enabling.

Stewardship Theory supports cooperation between school leaders and involved parties, built on mutual confidence within PFM. When educators receive more responsibility and tools Musyoka et al. (2023) state that they tend to improve fiscal openness and boost organizational results. Moreover, this method contributes to financial reports that are inclusive and participatory planning

and decentralized budgeting. Therefore, as opposed to seeking motives, common good is the purpose of communities and development of skills. Consequently, money circulates with ease since the novel and viable approaches are put to use.

In areas where stewardship is endorsed, Wambua and Wekesa (2021) observe better services and more prudence in finances in state institutions like schools. Instead of pursuing permission, stewards invariably stress integrity, future planning or future well-being. In actual sense, high schools need to spend money wisely, provide honest reports and remain personally responsible. On its part, leadership should be based on organizational values rather than personal interests. Moreover, the PFM systems will perform better when leaders do not seek incentives but rather act out of necessity.

In addition, the Theory proposes that financial managers should embrace ethics training in their occupations. Kamau and Mwangi (2024) observe that once public staff members identify themselves as stewards, they remain more adherent to budgetary policies but maintain service values. Therefore, advocating stewardship can enhance accountability among the educational organizations in Kenya in dealing with problems or justifying decisions. It in turn promotes the more accurate spending systems that are geared towards the real needs of people over time.

Budgeting Theory

The theory of budgeting was by Bozeman and Straussman in 1982. Their method divides the process of public budgeting in two segments whereby one segment explains how decisions are determined, and the other one demonstrates values behind those decisions. Part I examines the participants in the decision making processes in the planning process; part two, on the other hand, considers viewpoints rather than facts. Extending this idea, Khan and Hildreth in 2002 used it in another application in government context that indicated that budgets can serve more than one purpose simultaneously. Such applications include management, politics, finance and documentation. Besides, in the field of governance, funding plans help in directing scarce assets to rival demands. Economically, as well, they are able to quantify any income changes between regions, favoring expansion as well as enhancing fiscal stability. Finally, on the issue of bookkeeping practice, they determine authorized limits of expenditure of organizations.

Such economists as Kirianki (2014) state that sound data assists the leadership in making appropriate decisions. Similarly, Hijal (2019) associates transparent budgeting with increased harmonization of units of government. To this extent, Onyango (2012) experimented with the method in primary schools, which was found to be helpful in regulating in-classroom activities. Simultaneously, Munge et al. (2016) emphasize the importance of fairness that promotes broad involvement of the departments contributing to goal-oriented budgets creation.

In brief, the strategy works in a better situation when the principals understand financial fundamentals. In order to develop a solid budget, therefore, administrators must establish overall goals and distribute funds prudently within established criteria or considerate judgement. In this manner, setting these priorities will tie costs to goals, which address the compliance requirements and review expectations in the education environment.

Empirical Review

Wanjiku & Ndungu (2025) examined quality of reports generated by school finance officers of 5 counties. They established that accuracy of their reports largely depends on capacity-building and training initiatives. Further, workers with official financial instruction delivered more complete and trustworthy reports. However, long-term skills' impacts within organizations were not assessed. At present, there's no clear evidence that better reporting leads to stronger PFM in the long term. Therefore, conducting long-term studies might offer clearer answers here instead.

Wekesa and Muturi (2024) found opposite results, arguing that solid ethics plus capable leaders matter more than better reporting when ensuring good PFM. School managers admitted through interviews that without leadership that is principled, they might adjust financial data to show adherence, not truthfulness. Therefore, this insight questions the basic idea that reporting bringing about responsibility and now favors a broader look at organizational values. Further, while their reasoning is compelling, the research misses quantitative proof to back its points. Therefore, combining both methods could strengthen how trustworthy these conclusions appear.

Ouma and Karanja (2020) investigated internal controls impacts on PFM of Nairobi's public secondary institutions. A positive relationship was established especially when it came to responsibilities, since these controls were found to enhance answerability and openness. However, a contextual gap was determined since it focused on the urban residents whose results cannot be replicated into rural settings like that of Kitui County. Their approach highlights structure, yet overlooks specific difficulties found in local settings. Therefore, further studies across regions are needed to explore comparable effects of distributed learning models.

Wanjala and Mureithi (2025) examined impacts of internal controls audits on financial outcomes in Kenyan Counties. It was revealed that schools which conducted evaluations that were more frequent achieved financial outcomes that were more improved. Still, they noticed risk checks and oversight showed true financial transparency best. Yet, they stressed how PFM outcomes varied between schools due to uneven methods. Their analysis highlights the need for consistent internal control rules in every county. Therefore, these insights suggest changes must be applied across the entire system not only within individual schools

In schools, where money often runs short, smart budget planning supports better use of public funds. Kamau and Gikonyo (2020) established that public high schools using participatory

budgeting procedures saw sharper funding forecasts and also improved how resources were assigned. Their study showed that decision making which is inclusive among Nairobi's school finance staff boosted responsibility plus stronger follow-through on budgeting plans. But the work overlooked external influences like national fiscal policies that may influence local budget decisions. Moreover, they might have added such features to make their findings wider in scope. Kilonzo and Chege (2025) examined the effect of grants and other external funding on the budgeting procedures of the secondary schools. It was determined that there was a tendency of funded organisations to expend beyond their plans. Moreover, it was also discovered that although external funds influence the effectiveness of budgets, overreliance on them might undermine local financial management. Thus, it can be concluded that higher expenditure freedom is needed in rural bodies in Kitui County and other such areas.

Risk practices are powerful in maintaining the financial systems of the populace in a long-lasting manner. In Kenya, Ndungu and Kibet (2020) reveal that the schools were found to have a better budget control in full risk methods. These methods must involve threat assessment and methods of mitigating them. The research established that such schools were able to predict cash crunches earlier - enabling them to make changes in time. Nevertheless, these approaches may not be easy to apply in such places as Kitui where resources are limited and things are harder. Nevertheless, as the focus of analysis is on big urban establishments it does not fit well here.

Mugo and Njiru (2025) investigated the usefulness of risk management instruments that were publicly financed. They discovered that despite the tools, school staffs did not use them mostly because they were not well trained. It turned out that government-led or external support risk management programs could assist schools to develop more powerful prevention measures. Nevertheless, they failed to look at unique issues of the rural school districts which has led to our inability to generalize these programs to other settings.

RESEARCH METHODOLOGY

Descriptive research design was employed. The approach was able to gather respondents' opinions and measure correlations across variables without disrupting the natural setting (Kothari & Garg, 2021). It facilitates the systematic data amassing from a vast population in a natural setting. According to Mugenda and Mugenda (2022), descriptive designs are advantageous in educational research due to their precise representation of existing practices.

The study targeted 1053 school accounting officers comprising school heads, BOM chairpersons and bursars of public secondary schools in Kitui County, Kenya. The participants were selected since they directly deal with school finances hence are in position to answer the research questions. Nassiuma (2000) formula was employed to arrive at a proximated to 385 respondents
Data was collected using a semi structured questionnaire

Descriptive statistics (means, percentages and frequencies) to characterize responses and identify trends in the quantitative data collected from structured surveys. Statistical software, such as SPSS and Excel, was employed to generate and present these statistical measurements as well as inferential analysis: Pearson correlation and multiple regression analysis (Field, 2021).

Below is the utilized regression model:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$$

Where,

Y= Financial reporting compliance in public secondary schools

X₁= cash management practices

X₂= Internal control system

X₃= budgeting practices

X₄= Risk management

B₀= Régression intercept

β₁, β₂, β₃, β₄=Coefficients

ε= Error term

RESEARCH FINDINGS AND DISCUSSION

Response Rate

The study had a sample size of 385 out of which 346 were correctly filled and returned. This translated to a 90% response rate. This means that the data collected can be considered highly reliable, and representative of the population of

Table 4.1 Response Rate

Response Rate	Frequency	Percent (%)
Returned Questionnaires	346	90%
Unreturned Questionnaires	39	10%
Total	385	100%

Source: Survey Data (2026)

Results of Descriptive Statistics

The study employed means and standard deviation to analyze the descriptive.

Table 4.2 Descriptive Statistics

Descriptive Statistics	Mean	Std Dev
Cash Management practices	2.45	1.33
Internal control systems	2.49	1.13
Budgeting practices	2.74	1.24
Risk management practices	3.51	1.16
Financial reporting	2.54	1.40

Source: Research Data (2026)

The overall (aggregate) mean score of 2.45 with a standard deviation of 1.33 indicates a generally low agreement level with statements measuring cash management practices. This suggests that respondents agreed that cash management practices in majority of the sample schools are weak and inadequate. This implies many schools do not strictly adhere to budget provisions when spending funds. The findings of this study supports the finding of Wekesa and Muturi (2024) who established that School managers admitted through interviews that without leadership that is principled, they might adjust financial data to show adherence, not truthfulness. Further, Kiptoo et al. (2022) also stated that public schools still struggle with poor financial management, despite using standard reporting tools. This is mainly because rules aren't properly followed. They further put forth that bureaucracy slows response times and therefore, adapting to local needs becomes harder.

Averaging 2.49, most respondents disagreed with the statements used in establishing whether the public school had appropriate internal control systems. Overall, while respondents acknowledge the importance of internal controls, the findings reveal that these controls are not effectively implemented in practice. The gaps in budget adherence, reporting, documentation, and record-keeping suggest weak internal control systems, which may undermine financial accountability and negatively affect financial reporting compliance in public secondary schools. The study finding concurs with Ouma and Karanja (2020) who investigated internal controls impacts on PFM of Nairobi's public secondary institutions. A positive relationship was established especially when it came to responsibilities, since these controls were found to enhance answerability and openness. Similarly, Wanjala and Mureithi (2025) revealed that schools which conducted evaluations that were more frequent achieved financial outcomes that were more improved. Still, they noticed risk checks and oversight showed true financial transparency best. Yet, they stressed how PFM outcomes varied between schools due to uneven methods. Their analysis highlights the need for consistent internal control rules in every county.

The aggregate mean score of 2.74 (SD=1.24) indicates a moderate but generally weak level of budgeting practices across the schools. Notably, respondents strongly acknowledged the importance of budgeting. Overall, the findings imply that although schools recognize the importance of budgeting and prepare annual budgets, there are significant weaknesses in stakeholder participation, monitoring, reporting, and implementation. These gaps limit the effectiveness of budgeting practices and may negatively affect financial reporting compliance. This examination findings reinforces those of other scholars. For instance, Kamau and Gikonyo (2020) also established that public high schools using participatory budgeting procedures saw sharper funding forecasts and also improved how resources were assigned. Their study showed that decision making which is inclusive among Nairobi's school finance staff boosted responsibility plus stronger follow-through on budgeting plans. According to Odhiambo and Wekesa (2024), budget techniques alone do not enhance PFM in state schools. Rather, proper financial documents

and good monitoring should also be introduced. Their position refutes the notion that good budgets lead to better finances.

The aggregate mean score of 3.51 with a standard deviation of 1.16 indicates that risk management practices are moderately implemented and generally viewed positively, although there are notable weaknesses in specific areas. The results generally indicate that while respondents understand and value risk management practices, their practical application especially in verifying and approving financial transactions is inadequate. This disconnect between awareness and implementation may expose schools to financial inefficiencies and weak accountability, thereby affecting financial reporting compliance. The finding supports those of Mugo and Njiru (2025) who investigated the usefulness of risk management instruments that were publicly financed. They discovered that despite the tools, school staffs did not use them mostly because they were not well trained. It turned out that government-led or external support risk management programs could assist schools to develop more powerful prevention measures.

The aggregate mean score of 2.54 with a standard deviation of 1.40 indicates a generally low level of financial reporting compliance across the sampled schools. Overall, the findings reveal that financial reporting compliance in these schools is generally weak, characterized by delays in reporting, non-adherence to Ministry of Education requirements, poor audit submission practices, and limited financial transparency. These weaknesses may significantly hinder accountability and effective financial governance. This outcome supported argument by Garcer, Mestry, and Motala (2024) that Public secondary schools still face ongoing issues due to poor financial monitoring, minimal stakeholder input, weak technical skills and financial reporting that is delayed. Further, School Boards of Management (BOMs), meant to handle checks and balances lack basic finance knowledge.

Inferential Statistics Results

Correlation Analysis

Table 4.3 Correlation Matrix

		Cash Management Practices	Internal Control Systems	Budgeting Practices	Risk Management Practices	Financial Reporting Compliance
Cash Management Practices	Pearson Correlation	1				
Internal Control Systems	Pearson Correlation	.238**	1			
Budgeting Practices	Pearson Correlation	.372**	.326**	1		
Risk Management Practices	Pearson Correlation	.326**	.216**	.226**	1	
Financial Reporting Compliance	Pearson Correlation	.628**	.227**	.380**	.472**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	
	N	346	346	346	346	346

** Correlation is significant at the 0.01 level (2-tailed).

Source: Survey Data (2026)

The outcomes depict a strong positive and statistically significant relationship between cash management practices and financial reporting compliance ($r = 0.628$, $p = 0.000$). This signals that improved cash management practices such as proper recording of transactions, adherence to budget allocations, and timely financial communication are strongly associated with higher levels of financial reporting compliance in schools. Strengthening cash management systems is likely to significantly enhance financial reporting compliance. The outcomes concur with those of Wekesa and Muturi (2024) who established that School managers admitted through interviews that without leadership that is principled, they might adjust financial data to show adherence, not truthfulness. Further, Kiptoo et al. (2022) also stated that public schools still struggle with poor financial management, despite using standard reporting tools. This is mainly because rules aren't properly followed. They further put forth that bureaucracy slows response times and therefore, adapting to local needs becomes harder.

The findings indicate a weak but statistically significant positive relationship between internal control systems and financial reporting compliance ($r = 0.227, p = 0.000$). The finding implied that while internal controls are important, their current implementation in schools may not be strong enough to produce a substantial impact on financial reporting compliance. Similarly, Wanjala and Mureithi (2025) revealed that schools which conducted evaluations that were more frequent achieved financial outcomes that were more improved. Still, they noticed risk checks and oversight showed true financial transparency best. Yet, they stressed how PFM outcomes varied between schools due to uneven methods. Their analysis highlights the need for consistent internal control rules in every county.

The results reveal a moderate positive and significant relationship between budgeting practices and financial reporting compliance ($r = 0.380, p = 0.000$). This means that effective budgeting practices such as proper budget preparation, monitoring, and implementation are associated with improved financial reporting compliance. Schools with more structured budgeting processes tend to demonstrate better adherence to financial reporting standards. The finding of this study reinforces those of other scholars. For instance, Kamau and Gikonyo (2020) also established that public high schools using participatory budgeting procedures saw sharper funding forecasts and also improved how resources were assigned. Their study showed that decision making which is inclusive among Nairobi’s school finance staff boosted responsibility plus stronger follow-through on budgeting plans. According to Odhiambo and Wekesa (2024), budget techniques alone do not enhance PFM in state schools. Rather, proper financial documents and good monitoring should also be introduced. Their position refutes the notion that good budgets lead to better finances.

The findings show a moderate positive and significant relationship between risk management practices and financial reporting compliance ($r = 0.472, p = 0.000$). The finding implied strengthening risk management frameworks in schools significantly improve financial reporting compliance by promoting proactive financial oversight and accountability. The finding supports those of Mugo and Njiru (2025) who investigated the usefulness of risk management instruments that were publicly financed. They discovered that despite the tools, school staffs did not use them mostly because they were not well trained. It turned out that government-led or external support risk management programs could assist schools to develop more powerful prevention measures.

Regression Analysis

Model Summary

Table 4.4 Multiple Regressions Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.701a	0.491	0.485	0.63327

a Predictors: (Constant), Risk Management Practices, Internal Control Systems, Budgeting Practices, Cash Management Practices

Source: Survey Data (2026)

Table 4.4 reveals that the model resulted in an R Square of 0.491. This means that around 49.1% of the variance in financial reporting compliance could be accounted for by cash management practices, budgeting practices, internal control systems, and risk management practices. This implies that nearly half of the changes in financial reporting compliance among the schools could be attributed to the four studied financial management practices, while the remaining 50.9% are attributable to excluded factors from the model.

Table 4.5 Multiple Regressions Model ANOVA

ANOVA	Sum of Squares	df	Mean Square	F	Sig.
Regression	131.973	4	32.993	82.271	.000b
Residual	136.751	341	0.401		
Total	268.724	345			

a Dependent Variable: Financial Reporting Compliance

b Predictors: (Constant), Risk Management Practices, Internal Control Systems, Budgeting Practices, Cash Management Practices

Source: Survey Data (2026)

According to the ANOVA results in Table 4.5, the regression model, which includes risk management practices, internal control systems, budgeting practices, cash management practices as predictors, was significant in explaining financial reporting compliance. The low p-value ($p < 0.000$) associated with the F-statistic of 82.271 suggests that the predictors as a group explain a substantial proportion of the variance in the dependent variable. All of this indicates that the model is a good fit for the data and can be used to predict the relationship between public financial management practices and financial reporting compliance in Kitui County public secondary schools.

Table 4.6 Multiple Regressions Model Coefficients

Coefficients	β	Std. Error	Beta	t	Sig.
(Constant)	1.504	0.226		6.658	0.000
Cash Management Practices	0.486	0.044	0.482	11.084	0.000
Internal Control Systems	0.424	0.09	0.247	4.725	0.000
Budgeting Practices	0.183	0.062	0.127	2.934	0.004
Risk Management Practices	0.215	0.032	0.279	6.743	0.000

a Dependent Variable: Financial Reporting Compliance

Source: Survey Data (2026)

Cash management practices positively and statistically significantly affect financial reporting compliance ($\beta = 0.486$, $t = 11.084$, $p = 0.000$). Financial reporting compliance improves by 0.486 units for every one-unit gain in cash management practices, assuming other variables stay constant. Further, the outcome revealed that strengthening cash management systems in schools is the most effective strategy for improving financial reporting compliance. Policies should prioritize strict cash controls and improved financial documentation procedures. The findings of this study

supports the finding of Wekesa and Muturi (2024) who established that School managers admitted through interviews that without leadership that is principled, they might adjust financial data to show adherence, not truthfulness. Further, Kiptoo et al. (2022) also stated that public schools still struggle with poor financial management, despite using standard reporting tools. This is mainly because rules aren't properly followed. They further put forth that bureaucracy slows response times and therefore, adapting to local needs becomes harder.

The results further show that Internal control systems positively and statistically significantly affected financial reporting compliance ($\beta = 0.424$, $t = 4.725$, $p = 0.000$). The finding also implied that enhance internal safeguards like dividing responsibilities and establishing approval protocols, and audit follow-up would improve financial reporting compliance. The study finding concurs with Ouma and Karanja (2020) who investigated internal controls impacts on PFM of Nairobi's public secondary institutions. A positive relationship was established especially when it came to responsibilities, since these controls were found to enhance answerability and openness.

Budgeting practices also have a positive and statistically significant effect on financial reporting compliance ($\beta = 0.183$, $t = 2.934$, $p = 0.004$). A one-unit advancement in budgeting practices corresponds to a 0.183 rise in financial reporting, holding other factors constant. While the effect is significant, it is relatively modest compared to other predictors. The finding of this study reinforces those of other scholars. For instance, Kamau and Gikonyo (2020) also established that public high schools using participatory budgeting procedures saw sharper funding forecasts and also improved how resources were assigned. Their study showed that decision making which is inclusive among Nairobi's school finance staff boosted responsibility plus stronger follow-through on budgeting plans.

The examination revealed risk management practices had a positive and statistically significant effect on financial reporting compliance ($\beta = 0.215$, $t = 6.743$, $p = 0.000$). A one-step increase in risk management increases financial reporting compliance by 0.215 points, other things being equal. The study finding further implied that effective risk identification, assessment, and mitigation practices enhance financial accountability and compliance. Schools should institutionalize risk management frameworks to strengthen financial reporting systems. The finding supports those of Mugo and Njiru (2025) who investigated the usefulness of risk management instruments that were publicly financed. They discovered that despite the tools, school staffs did not use them mostly because they were not well trained. It turned out that government-led or external support risk management programs could assist schools to develop more powerful prevention measures.

Conclusions of the Study

Findings formed basis of the examination's conclusions; first cash management practices are concluded to strongly and most significantly influence financial reporting compliance. Schools

with better cash management systems such as proper documentation, adherence to budgets, and timely financial communication demonstrate higher compliance levels. However, overall cash management practices were generally weak and inconsistent, particularly in areas of expenditure control, record keeping, and financial reporting.

The study also concludes that internal control systems have a positive but relatively weak effect on financial reporting compliance. Although respondents recognize the importance of internal controls in enhancing accountability, their implementation is poor, especially in budget adherence, financial documentation, and reporting procedures. The study further concludes budgeting practices to positively and statistically significantly affect financial reporting compliance among the schools. However, in spite annual budgets in most schools, budgeting processes are largely non-participatory, weakly monitored, and poorly implemented. This limits their effectiveness in enhancing compliance. Therefore, while budgeting is an important determinant, its practical execution remains inadequate and reduces its full potential impact on financial reporting compliance.

Finally, the examination concludes risk management practices plays around moderate to strong positive effect on financial reporting compliance. Schools that engage in risk identification and mitigation tend to demonstrate better financial accountability and compliance. However, weaknesses exist in key areas such as verification and approval of financial transactions, indicating that risk management practices are not fully institutionalized. This limits their overall effectiveness in ensuring complete financial reporting compliance.

Recommendations of the Study

Based on the finding of the study, the following recommendation are made; the study recommends that school administrations should adopt strong cash management systems supported by automation and standardized accounting procedures. This includes ensuring that all financial transactions are properly documented using payment vouchers, cash books, and digital financial systems where possible. Further, the Ministry of Education should enforce policies requiring strict adherence to budget allocations and timely financial reporting, while strengthening supervision and audit follow-ups

The study recommends that the Ministry of Education and School Boards of Management (BOMs) should strengthen participatory budgeting frameworks in public secondary schools. Schools should ensure that budgeting processes involve key stakeholders such as principals, accounts clerks, teachers, and BOM members to enhance ownership and accountability. In addition, there is need for strict enforcement of budget monitoring and variance reporting mechanisms, including routine budget performance reviews by budget committees. The Ministry should also develop clear policy guidelines requiring schools to ensure full implementation and tracking of approved budgets to improve financial reporting compliance.

The study recommends that BOMs and school management should strengthen internal control structures by ensuring proper segregation of duties, authorization procedures, and regular internal audits. Clear policies should be established to ensure that no single individual has excessive control over financial processes. The Ministry of Education should also institutionalize mandatory compliance audits and enforcement mechanisms to ensure that internal control systems are not only established but effectively implemented. Regular training should be provided to school financial personnel to improve adherence to internal control procedures and enhance accountability. Schools are also advised to advance and institutionalize formal risk management frameworks that guide identification, assessment, and mitigation of financial risks. This includes establishing clear procedures for verification and approval of all financial transactions to reduce mismanagement and errors.

REFERENCES

- Alio, A. A., Chui, D. M., & Githui, D. K. (2019). Influence of budget reporting practices on financial management in public secondary schools in Mandera County, Kenya. *African Journal of Education and Practice*, 4(2), 51–60.
- Bala, M., & Nwankwo, B. (2020). Budgeting and financial accountability in public schools. *Journal of Financial Management*, 12(3), 47-59.
- Baraka, K. (2012). Challenges facing public secondary school principals in financial management: A case study of Kitui District. *Kenyatta University*.
- Braun, V., & Clarke, V. (2021). *Successful qualitative research: A practical guide for beginners* (2nd ed.). SAGE Publications.
- Bryman, A. (2021). *Social research methods* (5th ed.). Oxford University Press.
- Creswell, J. W., & Poth, C. N. (2022). *Qualitative inquiry and research design: Choosing among five approaches* (5th ed.). SAGE Publications.
- Chebet, M. C., & Wambui, R. K. (2021). *Risk exposure and financial mismanagement in rural public secondary schools in Kenya*. *Journal of Risk and Public Sector Finance*, 9(2), 87–96.
- Chepkemoi, C., Korir, M. K., & Rop, N. K. (2022). *Effects of financial management practices on performance of public secondary schools in Kenya: A case of Bomet County*. *African Journal of Emerging Issues*, 4(3), 1–15.
- Chitembo, A., & Mzenzi, S. (2023). Public finance compliance in educational institutions: A case study of secondary schools in East Africa. *Public Finance Review*, 51(2), 245–262.
- Choge, J. K., & Kiprotich, A. L. (2024). *Ethical oversight and internal control weaknesses in Kenyan public secondary schools*. *Journal of Public Sector Governance*, 10(1), 73–86.

- Field, A. (2021). *Discovering statistics using IBM SPSS statistics* (5th ed.). SAGE Publications.
- Gitonga, M. Z., Gaceri, N. F., & Kirambia, R. (2023). Participatory decision-making and financial management in public secondary schools in Kericho County. *International Journal of Professional Practice*, 11(3), 1–15
- International Monetary Fund (IMF). (2023). *Public financial management and accountability: Strengthening governance in public institutions*. IMF Publications.
- Kamau, L. W., & Gikonyo, E. O. (2020). *Participatory budgeting and financial performance in public secondary schools in Nairobi County, Kenya*. *Journal of Educational Finance*, 8(3), 115–128.
- Kamau, M. G., & Mwangi, R. M. (2024). *Ethical leadership and financial accountability in public secondary schools in Kenya*. *Journal of Educational Policy and Management*, 9(1), 32–41.
- Karanja, J. (2022). *Public sector reforms and financial management in Kenyan schools*. Nairobi: University Press.
- Kariuki, E. N. (2021). *Influence of internal control systems on financial accountability in public secondary schools in Nyeri County, Kenya*. *Journal of Public Administration and Governance*, 11(2), 93–106.
- Kariuki, J. M., & Kinyanjui, T. W. (2023). *Impact of risk awareness training on financial performance in public secondary schools*. *East African Journal of Educational Management*, 14(1), 59–71.
- Kariuki, W., & Mwirigi, J. (2023). Financial accountability in secondary schools: An assessment of financial management practices in Kitui County, Kenya. *Journal of Public Sector Finance*, 12(1), 85-99.
- Kenya National Bureau of Statistics [KNBS]. (2020). *2020 Kenya population and housing census: Volume I: Population by county and sub-county*. KNBS.
- Kilonzo, R. T., & Chege, N. N. (2025). *Impact of external funding on budgeting practices in public secondary schools in Kitui County*. *Journal of Public Sector Budgeting*, 11(1), 70–83.
- Kim, J., & Zhang, B. (2020). Measuring financial efficiency in education: A comparative analysis of budget allocation models. *International Journal of Educational Finance*, 15(3), 332–348.
- Kinyua, J. (2023). Decentralization and its impact on public financial management in Kenya. *Public Sector Journal*, 41(1), 45-59.
- Kinyua, M. M., & Omwenga, J. Q. (2022). *Application of stewardship theory in public resource management: A case of Kenyan secondary schools*. *African Journal of Public Administration*, 6(4), 78–85.

- Kipkemoi, J., Munyua, S., & Onyancha, D. (2022). Financial record-keeping in Kenyan secondary schools: Challenges and strategies. *International Journal of Educational Finance*, 8(4), 113-124.
- Kiptoo, R. J., Cheruiyot, J. K., & Lagat, C. K. (2022). *Constraints to financial reporting implementation in public secondary schools in Kenya*. *Journal of Finance and Management*, 6(2), 115–128.
- Kirimi, B. W., & Wanyonyi, D. K. (2023). *The role of automation in strengthening internal controls in public education finance*. *African Journal of ICT in Public Administration*, 7(2), 88–102.
- Kumar, R. (2020). *Research methodology: A step-by-step guide for beginners* (5th ed.). SAGE Publications.
- Luhabe, G. (2021). Strategic financial planning in educational institutions. *Journal of Education Finance*, 35(2), 123-138.
- Manei, B. O., & Omagwa, J. (2019). Accounting practices and financial performance of public secondary schools in Makueni County, Kenya. *IOSR Journal of Economics and Finance*, 10(3), 26–33.
- Maxwell, J. A. (2020). *Qualitative research design: An interactive approach* (4th ed.). SAGE Publications.
- Silverman, D. (2021). *Interpreting qualitative data* (6th ed.). SAGE Publications.
- Mbii, M., Waweru, S., & Magoma, C. M. (2020). School Board of Management’s financial resource practices vis-a-vis student performance: A case of two counties in Kenya. *International Journal of Science and Research*, 9(4), 914–919.
- Mestry, R. (2024). Financial accountability: The principal or the school governing body? *South African Journal of Education*, 24(2), 126-132.
- Miles, M. B., Huberman, A. M., & Saldaña, J. (2020). *Qualitative data analysis: A methods sourcebook* (4th ed.). SAGE Publications.
- Moynihan, D. P., & Kroll, A. (2022). Performance management and efficiency in public financial administration. *Journal of Public Budgeting & Finance*, 42(3), 319-340.
- Moynihan, D., & Kroll, A. (2022). Accountability in public sector financial management: The role of transparency and reporting standards. *Journal of Public Administration*, 44(4), 519–537.
- Mugo, L. N., & Njiru, A. M. (2025). *Utilization of government risk management resources in Kenyan public schools*. *African Journal of Public Finance and Administration*, 10(2), 112–125.

- Muriithi, L. W., & Ochieng, M. A. (2021). *Centralized versus decentralized budgeting in public secondary schools in rural Kenya*. *International Journal of Education Administration*, 6(2), 72–85.
- Muriithi, M., & Mungai, R. (2021). Financial management practices in Kenyan public schools: A case study of secondary schools in Nairobi County. *Journal of Financial Education and Management*, 9(2), 45-60.
- Musimbi, A. L., & Karanja, M. M. (2023). *Digital transformation and financial reporting quality in public schools: Evidence from urban Kenya*. *East African Journal of Financial Innovation*, 8(1), 62–74.
- Musyoka, C. K., Wanjohi, P., & Mutua, M. (2023). *Effect of school leadership on public financial management practices in Machakos County*. *International Journal of Education and Social Science Research*, 7(2), 56–69.
- Musyoka, J. M., Nthenge, E., & Mutua, J. M. (2021). Financial management practices and service delivery in public secondary schools in Kenya. *International Journal of Education and Research*, 9(3), 45-58.
- Mutai, J. M., & Nduta, P. W. (2022). *Policy versus practice: Challenges in implementing internal financial controls in Kenyan schools*. *Journal of Educational Financial Accountability*, 5(3), 112–125.
- Mutinda, S., & Mulwa, W. (2020). Evaluation and monitoring of financial practices in Kenyan secondary schools. *Public Sector Management Review*, 10(1), 32-42.
- Mutua, A., & Wanza, M. (2023). *Public financial accountability and its influence on service delivery in secondary schools in Kenya*. *International Journal of Finance and Accounting*, 8(1), 44–53.
- Mutuma, D. M., & Wekesa, S. K. (2024). *Integrating risk management with public financial systems in secondary schools*. *International Journal of Educational Finance Reform*, 8(4), 134–149.
- Mwangi, F., & Mutisya, E. (2021). Procurement practices in secondary schools: A focus on transparency and efficiency. *Journal of Educational Administration*, 15(2), 45-59.
- Mwangi, G. N., & Mutai, A. M. (2023). *Budget participation and financial performance in Kitui County secondary schools*. *Journal of African Educational Management*, 12(4), 58–71.
- Mwangi, G. N., & Wanjala, F. O. (2021). *Financial accountability and quality reporting in public secondary schools in Kenya*. *African Journal of Public Finance*, 5(4), 89–102.
- Mwangi, T. (2022). Budgeting and financial control in Kenyan schools. *African Journal of Education Administration*, 29(4), 56-72.

- Mwanzia, J. K., & Muthomi, J. (2024). *Financial literacy and its effect on school financial management in Machakos County*. *Journal of Education and Practice*, 15(2), 88–96.
- Ndotu, M. (2021). Challenges faced by principals of newly established secondary schools and their coping strategies in Mwingi Central Sub County, Kitui County, Kenya. *Afribary*.
- Ndungu, G. W., & Kibet, J. K. (2020). *Risk management strategies and their effect on financial accountability in Kenyan public schools*. *Journal of Public Sector Risk Management*, 6(3), 102–115.
- Ngugi, E. (2022). The impact of financial management practices on the performance of secondary schools in Kenya. *International Journal of Education and Financial Management*, 4(1), 112-128.
- Ngugi, M., & Muriithi, G. (2023). Financial reporting in public schools: Trends and implications for management. *Journal of Financial Education and Policy*, 6(1), 56-70.
- Njeru, M., & Waweru, T. (2023). *Financial governance in public secondary schools: Challenges and opportunities*. Nairobi: Educational Policy Review.
- Njiru, B. (2023). The impact of poor financial management on educational outcomes in Kenyan secondary schools. *Kenyan Journal of Educational Studies*, 25(1), 45-59.
- Ntim, C. G., Opong, K. K., & Danbolt, J. (2021). Financial reporting and audit quality in the public sector: The case of education institutions. *Journal of Accounting and Public Policy*, 40(6), 112–128.
- Odhiambo, S. W., & Wekesa, J. M. (2024). *Budgeting practices and oversight mechanisms in public secondary schools in Kenya: A comparative study*. *African Journal of Educational Policy*, 9(2), 99–112.
- OECD. (2021). *financial education and management in schools: Enhancing accountability and efficiency*. OECD Publishing.
- Omondi, G., & Okwach, A. (2025). Internal controls in school financial management: A case study of Kenyan secondary schools. *Public Finance Management Journal*, 21(3), 78-92.
- Organisation for Economic Co-operation and Development (OECD). (2021). *Enhancing public sector financial governance*. OECD Publishing.
- Otieno, J. O., & Mugo, R. K. (2020). *Effect of financial reporting quality on financial performance in public secondary schools in Kenya*. *International Journal of Economics, Commerce and Management*, 8(5), 220–235.
- Otieno, P. O., & Muthoni, J. W. (2022). *Application of risk management tools in urban public secondary schools in Nairobi County*. *Kenya Journal of Financial Governance in Education*, 11(3), 44–58.

- Ouma, J. M., & Karanja, S. N. (2020). *Effect of segregation of duties on public financial management in secondary schools in Nairobi County*. *International Journal of Finance and Policy Analysis*, 4(2), 59–70.
- Sipenji, N. W., Tibbs, C. Y., & Sindani, M. N. (2024). Effect of digital financial management system on accountability of public secondary schools in Bungoma County, Kenya. *African Journal of Empirical Research*, 5(2), 832–842.
- UNESCO. (2023). *Education financing and sustainable development goals: A global perspective*. UNESCO Publishing.
- van Helden, G. J., & Uddin, S. (2023). Compliance and governance in public financial management: A comparative study. *International Public Management Journal*, 26(1), 45–67
- Wambua, A. M., & Nyambura, C. K. (2022). *Budgetary discipline and financial stability in Kenyan public secondary schools*. *Journal of Financial Accountability in Education*, 7(1), 44–57.
- Wambua, A. M., & Wekesa, E. K. (2021). *Stewardship and fiscal responsibility in public institutions: Lessons from Kenyan schools*. *East African Journal of Governance and Ethics*, 3(1), 101–113.
- Wambua, N., & Macharia, L. (2024). Cash flow management in schools: A key to sustainable educational operations. *Journal of Financial Sustainability*, 18(2), 101-114.
- Wanjala, E. P., & Mureithi, J. K. (2025). *Audit frequency and internal control performance in Kenya's public secondary schools*. *East African Review of Financial Management*, 9(1), 45–60.
- Wanjiku, N. M., & Ndungu, S. K. (2025). *Impact of financial literacy on financial reporting quality in Kenyan secondary schools*. *Journal of Contemporary Education and Accounting*, 11(1), 47–58.
- Waweru, P., & Ogola, G. (2021). Financial management practices and challenges in secondary schools in Kenya: Implications for effective education. *Journal of Educational Management*, 14(2), 88-102.
- Wekesa, E. T., & Muturi, J. N. (2024). *Leadership ethics and the integrity of financial reports in public education institutions in Kenya*. *African Journal of Leadership and Governance*, 9(2), 77–93.
- Wekesa, M. T., & Barasa, V. K. (2021). *Formal internal control structures and financial accountability in public education*. *Journal of African Administrative Studies*, 6(4), 130–144.
- World Bank. (2021). *The state of the education sector post-COVID-19: Implications for public financial management*. World Bank Publications.

- World Bank. (2022). *Efficiency in public resource utilization: Best practices in education financing*. World Bank Group.
- World Bank. (2022). *Public financial management in education: Challenges and best practices*. World Bank Group.
- Zafra-Gómez, J. L., Plata-Díaz, A. M., & López-Hernández, A. M. (2021). Measuring accountability in public sector financial management: A systematic review. *Public Administration Review*, 81(2), 255-271.
- Associated Press. (2025, January 15). *Parents in Africa struggle with unpredictable school fees that force children to drop out*. Associated Press.
- Cookson, C. (2025, January 15). *The truth about maximising efficiency*. Financial Times. .
- Financial Times. (2025, January 20). *Finland fuels children's future with financial literacy and food*. Financial Times.
- Financial Times. (2025, January 25). *Only 1 in 4 young adults received financial education at school, study shows*. Financial Times.
- McGuinness, D. (2025, February 1). *Houston's 22 departments suffer misuse of city credit cards, widespread inefficiencies, analysis shows*. Houston Chronicle.