

**RELATIONSHIP BETWEEN ACCOUNTING PRACTICES AND
MANAGEMENT OF FUNDS IN PUBLIC SECONDARY
SCHOOLS IN KISII COUNTY**

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DECLARATION AND APPROVAL

Declaration

This thesis is my original work and has not been presented for the conferment of a degree or for the award of a diploma in this or any other university:

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DEDICATION

I dedicate this thesis to my family

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I acknowledge and thank my research supervisors Dr. Isaac Naibei and Dr. Hellen Sang for their guidance and encouragement towards my academic achievements and all the lecturers who tutored me. I also appreciate my classmates, research assistants and the entire University of Kabianga staff for their support.

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ABSTRACT

Accountability by an institution to the Government of Kenya, donors, financiers, parents and stakeholders informs that funds are used for approved purposes and the school receives value for money. This study seeks to determine the relationship between accounting practices and management of funds in public institutions in Kisii County. Specifically, the study sought to; determine the relationship between budgeting practices and management of funds, explore the relationship between book keeping practices and management of funds, explore the relationship between internal control practices and management of funds and examine the relationship between automation accounting and management of funds in public institutions in Kisii County. Target population was 352 schools where the school bursars and the Principals were the respondents. Stratified random sampling was used to select 187 respondents who were school bursars. The study used correlation research design and the primary source of data was self-administered questionnaire. Validity of the instrument was achieved by using experts in the field while reliability was determined using Cronbach Alpha coefficient test, which was 0.87. The data was analyzed using inferential and descriptive statistics with the aid of SPSS software and the results presented using the percentages, mean and mode to draw the conclusions. The finding indicated that budgeting significantly affect funds management ($P < 0.05$). Where all stakeholders were involved in budget preparation, (mean of 3.618). The budget was vetted annually (mean of 3.848). It was found that the budget estimates were adhered to as well as comparison were made with actual values. On the contrary, the school did not involve experts in funds management. Concerning bookkeeping receipts and invoice book assisted in trailing transparency for it had a mean of 3.899. Daily financial records that were journal and cashbooks had a mean of 4.742. School fees journal entry and banks statements as well as government disbursement statements were well accounted for it had a mean of 3.208 and 4.506 respectively. The result showed that budgeting practices was significant since it had a significance of $< r = 0.000, p < 0.05$), bookkeeping practices had a significance of $< r = 0.021, p < 0.05$) and internal control practices had a significance of $< r = 0.000, p < 0.05$), automation accounting practices did not significantly affect funds management since it had a significance value of $< r = 0.107, p > 0.05$). This would have been as a controlled expense for it had a mean of 4.253. Effective verifications and reconciliation of all accounts had a mean of 4.140. There was low monitoring and evaluation of internal controls process as revealed by a mean of 2.449. Internal control process provided the highest accounting process that assist in funds management. Finally, automation accounting practices was found to be in use in most of the secondary school. Electronic accounting software and m-banking affect reporting as well as efficiency and was found to significant affect funds' management. The research concludes that budgeting, bookkeeping and internal control significantly affect the funds management. The study recommends that government through Ministry of Education should standardize the automation and use of computerized accounting systems.

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LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
BOG	Board of Governors
BOM	Board of Management
FASB	Financial Accounting Standards Board
GoK	Government of Kenya
MOE	Ministry of Education Science and Technology
MOEST	Ministry of education science and technology
NACOSTI	National Commission for Science, Technology and Innovation
PTA	Parents and Teachers Association
SASA	South African School Act
SGB	School-Governing Board

DEFINITION OF TERMS

Bookkeeping Practices refers to the day-to-day techniques employed by the bursars to expedite the general record-keeping process. It entails inputting of amounts, dates, and sources per each item on both the revenue (assets) and expense (debits) sides of the ledger for accountability purpose.

Budgeting Processes refer to the financial planning a school takes to ensure it remains accountable by controlling spending on their operations and documenting how much they earn and spend over a certain period.

Accounting Practices is the recording of the day-to-day financial operations of a school entity necessary to produce the legally required financial statements.

Management of Fund is the overseeing and handling of a financial institution's cash flow. It is the systematic process of operating, deploying, maintaining, disposing, and upgrading assets in the most cost-efficient and profit-yielding way possible.

Internal Control are the mechanisms, rules, and procedures implemented by a school to ensure the integrity of financial and accounting information, promote accountability, and prevent fraud.

Automation of Accounting Practices is an approach to maintaining up-to-date accounting records with the aid of accounting software configured to allow for easy cross posting of receivable and payables, eliminating the need to enter multiple postings in order to keep accounting records.

CHAPTER ONE

INTRODUCTION

1.1 Overview

This chapter presents the background of the study, examine the statement of the problem, gives the purpose of the study, and gives objectives of the study and scope of study, significance of the study, scope and limitations

1.2 Background of the Study

Investment in public institutions is one of the most effective mechanisms of mitigating poverty, improving monetary and advancing human rights. Thus, the governments across the globe recognize the significance of gaining knowledge on funds management in public sector (Omondi et al. 2016). In this situation, numerous nations have devolved the control of financial sources to mastering establishments to beautify their overall performance (Crouch et al, 2008).

Proper management of price range in instructional establishments may be very vital to their operations (Munge, Kimani & Ngugi, 2016). However, around the arena the control of funds in most public institutions round the sector has been coupled with many challenges such as corruption, mismanagement and growing cost of maintenance (Crouch &Winker, 2008).

Rosalind & Downs (2004) were of the view that it was almost impossible to find someone from the local community who understood the funding system and had an idea about the value received by the schools in Brazil, Poland and England. The same authors indicated that in Brazil, Poland and England very few parents participated in school administration.

Usually, there were one or two parents' representatives on the school board probably those were the only parents who were aware of the sum received by the schools and its uses. South African School Act (SASA) of 1996 created School Governing Bodies (SGBs) that include the principal, elected representatives of parents, teachers, non-teaching staff and students. Segment 21 of SASA commands the SGBs to be responsible for keeping up schools' property, buy of course books, instructive materials or gear and pay for administrations rendered to the school. Nombasa, (2004) revealed that most SGBs in SA lacked skills in drafting of budgets, writing financial and policy statements, control of finance and petty cash, initiative and innovation as well as accountability. The main reason was illiteracy and lack of training. Education is one of the important and meaningful social economic development and reduction of poverty levels in most third world countries.

According to Nyakundi et al (2013), most African nations resolved to offer free, compulsory and universal primary education, increase enrollment to secondary schools by 30% of the children who successfully completes the basic primary education, raise transition to higher education by 20% and to improve quality as far as education in all educational institutions. To achieve, objective of education provision to their citizens, most of the developing increased their budgetary allocations on education and in some countries; the expenditure on education exceeds overall gross national product. Such has the tenancy of exerting a lot of pressure on other segments of the economy thus it is vital to monitor and control expences on learning matters (Nyakundi et al., 2013).

In Kenya, the responsibility of control and management of funds allocated to public secondary schools from parents as well as guardians and sponsors, central and the county governments is bestowed to the Boards of Managements (BOMs).

The Kenya Basic Education Act (2013) allows the Board of Management to establish audit committees to facilitate internal control and auditing in public secondary schools (Kenya Gazette Supplement, 2013).

The audit committee generates and submits audit reports to the board of management, which in turn comes up with an annual audit report, which is then director of basic education. The Education Act also stipulates that the audit department of the Ministry of Education should audit all the annual accounts of educational institutions, which are funded through public funds. Additionally, approved accounting and auditing firms are also allowed to audit public education institutions but this requires written permissions and approval from the cabinet secretary in charge of education (Kenya Gazette Supplement, 2013).

The Kenyan education system is troubled by financial risk management and the greatest risky areas being resource allocation and utilization which have created a fertile ground for funds embezzlement and corruption. Thus, proper accounting is required in public schools to manage and utilize the huge amount of funds allocated to those institutions. With the ministry of education channeling millions of shillings through different schemes such as the free secondary school programme, bursary schemes and infrastructural funding programmes, dissatisfaction by parent and students remains a great concern due lack of accountability and incompetence in public schools (Nyakundi et al., 2013). For instance, creditors and debtors in public secondary schools have been on the increase with a good example in the rear 2008 the creditors and debtors in public secondary schools had accumulated to Ksh. 5.5 billion and 15.5 billion respectively (Republic of Kenya, 2008).

1.2.1 Accounting practices

Accounting practice is defined as a process of collecting, transforming, reporting and disseminating reports to various users. Accounting practice entails presenting accounting information to the management of the organization and it's used for efficient administration of resources and supports appropriate decision-making (Nupakorn & Phapruek, 2010). Accounting practices play the main part in determining the framework of accounting information and financial reporting that both internal and external users utilize to evaluate financial performance of the organization. Therefore, accounting practices are concerned with records maintenance of an educational institution in which the financial transactions are summarized (Sigilai & Bett, 2013). Some of the accounting practices include budgeting, book keeping, internal control activities and computerized accounting.

Budgeting is a foundation of most organization's control process mostly used by the management and it is a key tool in accounting that institutions utilize in implementation of organizational strategies (Ostergren & Stensaker, 2011).

It is a very crucial for sound financial reporting especially for public schools. In public secondary schools, the board of management approves a school budget and it shows the income and expenditure plans based on an institutions development plans for a particular year. A school budget directs and controls the institutions income and expenditure plan while satisfying the schools objectives (Omoro, 2005). Proper budgeting is a useful connection between planning and evaluation. Through proper budgeting, educational institutions can achieve their intended goals effectively (Kiriza, Walela & Kukubo, 2015).

Bookkeeping entails entering accounting transactions in relevant books of accounts. One of the routine finance functions that can be delegated to junior staff in an organization is record keeping and safeguarding property and documents of an organization (Otieno & Nyangechi, 2013). The intent of financial statements is to provide information on the state of affairs financially, financial position effectiveness and changes which are useful in economic decision-making (Horvat, 2007).

Financial records, for example items like cash receipt books, general ledgers, petty cash book, purchases day book, cheque payments book, general journal, nominal and so on must be maintained and kept in a fundamental systems of accounting (Maseko & Manyani, 2011). Public secondary schools in Kenya normally maintain receipt books, Cashbooks, payment vouchers, journals; school levies registers, financial ledgers and bank monthly statements (Omor, 2005).

Internal controls are mechanisms through which an entity provides useful information, which is important for decision-making. Strong internal controls, which include frequent monitoring by school committees, will have a bearing on well-managed funds (Otieno & Nyangechi, 2013). Internal control comprises of checking, autonomous assessment as well as efficient reporting to the organization to make sure that all the actions of the organization are performed according with current plans, directions as well as limits (Bayyoud & Sayyad, 2015).

Internal controls make it possible for the head teachers to make an effective and speedy check on the rate of expenditure and proper financial management. Internal controls provide independent evaluation of the schools financial control and management systems (Horvat, 2007).

Computerized accounting-system is considered to be a computer-based structure, which joins accounting concepts and principles plus the model of information system to record, practice, examine and yield monetary info (Gelinas, Sutton & Hunton, 2005). If an organization fails to use computers and computer software it means that accounting information may not be accurate and the organization may experience delays in financial reporting and lack of permanent accounting records and information. Computerization of departments increases coordination and cohesiveness therefore leading to attainment of the organization's goals. Use of computers especially in the bookkeeping, generation of receipts and payment vouchers and stores control is key to management efficiency in public schools (Otieno & Nyangechi, 2013).

The Education Act also stipulates that the audit department of the Ministry of Education should audit all the annual accounts of educational institutions, which are funded through public funds. Additionally, approved accounting and auditing firms are also allowed to audit public education institutions but this requires written permissions and approval from the cabinet secretary in charge of education (Kenya Gazette Supplement, 2013).

The Koech report (1999) also noted a backlog in the audit of Education Institutions as a major factor contributing to mismanagement of funds. "It is unfortunate that a number of school heads do not submit books of accounts in time, to the district school's auditors for audit. This has led to backlog of unaudited reports dating as far back as 1995/96. This leads to a situation where the issues raised are in most cases overtaken by events such as transfers or retirements Prof. Mutahi, Permanent Secretary, MOEST (2003).

Financial risk management and the greatest risky Centre being resource allocation and utilization that have created a fertile ground for funds embezzlement and corruption trouble the Kenyan education system. Consequently, proper accounting and auditing practices are required in public schools to monitor the use of the enormous amount of funds allocated to these institutions. With the ministry of education channeling millions of shillings through different schemes such as the free secondary school programme, bursary schemes and infrastructural funding programmes, dissatisfaction by parent and students remains a great concern due to lack of accountability and incompetence in public schools (Nyakundi et al., 2013).

For instance, creditors and debtors in public secondary schools have been on the increase with a good example in the year 2008 the creditors and debtors in public secondary schools had accumulated to Ksh. 5.5 billion and 15.5 billion respectively (Republic of Kenya, 2008).

The present secondary learning platform is directed towards meeting the requirements of both the learners that terminate their learning after secondary school as well as the ones to proceed for higher learning. The governments and other associations finance the public secondary schools. There has been incredible upsurge in the number of secondary and in students' admission in reaction to the promptly up surging number of Secondary school graduate looking for an entry to the secondary level. There are sixty Public Secondary Schools in Kisii County. Sound financial management is important in schools though due to wide scope and diversity in non-profit organizations and their activities, proper financial management may turn out to be more complex than in profit making organizations (Omor, 2005).

Kisii County is situated in western Kenya, Lake Region. It consists of nine Sub-Counties namely; Gucha South, Sameta, Masaba South, Kisii Central, Gucha, Kisii South, Nyamache, Marani and Kenyenia. Kisii County has 60 public secondary schools. The schools are distributed among the nine sub counties as follows; Gucha South 10, Sameta 3, Masaba South 7, Kisii Central 9, Gucha 3, Kisii South 4, Nyamache 3, Marani 4.

1.3 Statement of the Problem

Proper management of finances in educational institutions is very imperative to their operations. However, around the world the management of funds in most public educational institutions has been coupled by a lot of challenges among them are corruption, mismanagement, rising cost of education and unplanned expansion (Mobegi, Ondigi & Simatwa, 2012).

In Kenya, the government has heavily invested in education and budgetary allocations to the Education Ministry ranges between 13.5% and 16.5% of the national budget with budgetary allocations to public secondary schools accounting for 23% of the Ministry's budget. However, concerns over fees arrears accuracy remains a great concern and questions on funds management in public secondary schools remains unanswered and there are serious financial challenges in most public secondary schools.

Otieno and Nyangechi (2013) studied the efficiency of internal control processes and administration effectiveness of free primary learning finance and found that the use of internal control procedures are effective on management efficiency of funds in schools.

Mobegi, Ondigi and Simatwa (2012) discovered the features leading to monetary misappropriation and mismanagement in secondary schools and found that the key factors which include corrupt promotion modes, lack monetary training and feeble board of management, weak internal control apparatuses, poor auditing procedures, unqualified account clerk, community and sponsors interventions.

However, most studies concentrated more on financial management practices in educational institutions and not accounting practices. This has created a gap in literature, which this study intends to seal by examining the relationship between accounting practices and management of public funds among Public Secondary in Kisii County.

1.4 General Objectives

The general objective of the study was to examine the relationship between budgeting processes and management of funds among public secondary schools in Kisii County.

1.5 Specific Objectives

The study sought to;

- i. Examine the relationship between budgeting processes and management of funds among public secondary school in Kisii County.
- ii. Determine the relationship between bookkeeping practices and management of funds among public secondary schools in Kisii County.
- iii. Determine the relationship between internal control practices and management of funds among public secondary schools in Kisii County.
- iv. Examine the relationship between automation accounting practices and management of funds among public secondary schools in Kisii County.

1.6 Research Questions

The study was guided by following research questions;

- i. What is the effect of budgeting practices on management of funds among public secondary schools in Kisii County?
- ii. What is the effect of book keeping practices on management of funds among public secondary schools in Kisii County?
- iii. What is the effect of internal control practices on management of funds among public secondary schools in Kisii County?
- iv. Determine the effect of automation accounting on management of funds among public secondary schools in Kisii County?

1.7 Justification of the Study

The study was crucial since it may remove the problem of poor management of funds especially in school. The study investigated all process of accounting which included budgeting, bookkeeping, internal control as well as automation of accounting. Finding solution to the recurrent problem of funds management in majority of schools may be solved by the findings of this study. The findings would assist a lot in managing school resources and ensure the society benefit from free day secondary programmes as well as reduce high school fee.

1.8 Significance of the Study

The outcome of this study might be of an importance to principals of public secondary schools since it may enhance their management practices. The finding may be of significance to teaching staff since they are the key players to enhance their budgetary checking and control abilities particularly in looking at the financial plan and the real use by principals of public secondary schools. The findings might be of centrality to policymaking organizations in the Ministry of Education to develop policy mechanism to enhance management practices and audit quality in public secondary schools.

The findings might be of criticalness to the Board of Governors of public secondary schools to enhance their money-related decision-making techniques and help improve on the overall school management practices. Finally, the research findings would also provide additional knowledge on management practices and accounting process in public secondary schools.

1.9 Scope of the Study

The discovery of study was restricted to Public Secondary Schools, to establish the relationship between accounting practices and management of funds among Public Secondary Schools in Kisii County in 2020.

1.10 Limitations of the Study

The study was carried out in Kisii County. The study just focused on public secondary schools in the County. This study can yield different results if it was carried out in the whole country. However, this is not possible due to the vastness of the country and hence the findings of the study are limited to Kisii County and can be generalize with

caution.

1.11 Assumptions of the Study

As Leedy and Ormrod (2010) posited, that assumptions are so basic that, without them, the research problem itself could not exist, the study was premised on several assumptions. First, on the primary data used, it was assumed that the respondents selected took part in the study and were willing to provide accurate information. Second, the sample size selected was assumed to be a representative of the study population so as to make inferences to. Data collection instrument was assumed reliable through pilot testing. Further, the instrument was assumed valid by conducting a construct and content validity.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section plays out an inside and out an assessment of writing identified literature with accounting practices and management of on funds among public secondary schools. The chapter has reviewed theories through which accounting practices and management of on funds in public secondary schools is understood, has examined key determinants of fund management in public secondary schools, and reviewed empirical literature regarding effect of accounting exercises on managing monies in public secondary schools. This chapter summarizes the literature and identifies the various gaps and then concludes with a conceptual framework

2.2 Review of Related Literatures

The following literatures have been reviewed based on the research objectives;

2.2.1 Budget process and management of funds

School Monetary organization is a financial association of schools' financial exercises, which includes installment of money. The money is traversed numerous sources simply like expenses. As indicated by Mutuku (2011), monetary organization decides the manner in which school is managed, just as whether the school met its motivations. Ideally, the monetary organization encourages suitable utilization of school funds that have been apportioned to various occasions of the school program. Now and again, the organization faces a few issues on the most proficient method to successfully manage the optional school reserves.

A study by Ngubane (2010) found that major influential aspect for poor monetary management amongst SGB appears to be mainly accredited to the lack of ability to implement monetary liability roles as demonstrated in planning, bookkeeping as well as reporting functions. Siringi (2002) revealed that in most secondary schools in Kenya enormous amounts of cash were exposed to little accounting processes and there were no appropriate auditing arrangements for making schools answerable. Further, Mobegi et al (2012) found that the school monetary management is wanting due to several reasons: there was poor accounting for finance school as described by recurrent requests for extremes of spending over income and audit reports portrayed negatively on the management of school finances were those related to the administration structure.

Arruñada, (1999) clarified that the quality of an organization's corporate administration structures is relied upon to influence a customer's money related announcing quality and business dangers, it is normal that administration affect examiners' hazard appraisals and resulting program arranging choices. The connection between the customer's business dangers and the danger of material misquote in monetary reports is progressively perceived as a basic angle in the review procedure (Shockley, 1983).

The auditor must first recognize and properly assess the strength of corporate governance and, second, appropriately weight and use this evidence to adapt the nature, extent, timing of audit procedures, and duration of time required and/or staffing requirements. On the off chance, that the general quality of the corporate

administration structure seen to be solid, reviewers could survey customer related dangers as lower. This, thus, could possibly diminish the arranged review exertion. Ultimately, accounting plans affect the quality of audit evidence obtained and impact on the quality of audit decisions. Secondary schools in Kenya are run by principals who are appointed by the Teachers Service Commission after serving various levels of administration within the school system. Nevertheless, numerous principals as well as board of governors lacked the essential monetary skills and knowledge; these principals were in tremendous pressure because they were unable to solve financial problems of the school (Mestry, 2004). According to Ogola (2007) head teachers have monetary limits particularly in maintaining financial basic books like the cash books and that there is a shortage of accounting employees and that most head teacher principal lack correct monetary administration skills and find it difficult to carry on his work.

A study by Cheruto and Wambu (2010) on the problems facing execution of free Secondary learning found that school administration face difficulties in the execution of the platform which comprise staff shortage, limited monetary administration skills by principals, lack of managerial skills; and accounts clerks' qualifications. In another study, Atieno (2012) discovered that head teachers were prone to numerous problems in monetary administration as the then current training support and measures for head teachers in monetary administration was fundamentally weak and don't appropriately prepare possible head teachers for accountabilities in monetary administration.

Parents; involvement has the possibility to advance responsibility, increase parental contribution, reinforce the management role of school managers, and upsurge teamwork amongst the education faculty (Winkler & Yeo, 2007).

According to Achoka (2012) mainstream of the parents were involved in the school's management and head teachers in their numerous tasks like monetary administration and school budget monies support this participation. However, a study by Kemboi (2002) revealed that the amount of time that teachers, teachers and students are given a chance to take part in schools was inadequate to give learners, parents, teachers an opportunity to practice skills of democracy that are involved during budgeting of school needs and even general monetary management.

According to Radu (2011), communities and parents respond inversely to participation in school organization and this call for the consideration of variety of conditions in variety situations. As such, amongst the prevalent goals for community and parental participation in learning a desire to spread the resourcing burden, enhance the volume, significance and effect of schooling. Koros (2009) found that parental participation had positive effect on monetary administration consequences of the secondary schools. Since schools' monetary is critical in school administration results, it is thus significant for education shareholders to upsurge parent and student contribution the study recommended from public, especially on client's side's dissatisfaction about undetected fraud.

Munge, Kimani and Ngugi (2016) assessed the elements impacting money related administration in open Secondary Schools in Nakuru County. The exploration received a cross-sectional survey inquires about the structure and focused on heads and treasurers of open optional schools in Kenya. The stratified irregular testing process was utilized to draw an example of 78 from the available populace and a

sorted out survey was utilized to assemble information.

The discoveries of the investigation built up that spending by executives and budgetary controls decidedly and fundamentally affected money related administration. The examination prescribed that open optional schools should have viable spending by board systems and solid monetary controls.

Kiriza, Walela and Kukubo (2015) investigated money related organization in open auxiliary schools in Kenya in Lurambi Sub-area of Kakamega County. The examination focused on 17 principals of open auxiliary schools and 17-school record's representative and gathered information utilizing polls. The examination found that schools depended for the most part on accounts from percentages and the administration and scarcely produced assets of their own, spending arrangement was done by head instructors, head of offices and treasurers, observing and supervision of the school spending plan was finished by head educators and leading body of the board. The investigation additionally discovered that spending support was to a great extent directed by the leading group of the executives while the routine was not gotten.

Kaguri, Njati and Thiaine (2014) examined the money related organization challenges confronting execution of free day optional learning in Imenti north county, Kenya. The investigation utilized polls to gather information from the BOGs and PTAs while talk with projects was figured out how to the principals. The investigation found that in money related arranging; planning was either frequently done in a touch style or not done at all with an irrelevant contribution of learning investors in the budgetary system and financial reports were inadequately arranged while inspecting done in a

subjective manner.

The examination suggested that there was a requirement for development of strategy following of assets to ensure fitting, adequate and dependable usage of assets planned for training in the correct way that should be possible through outside inspecting or redistributing of the administrations.

Sicilia and Bett (2013) surveyed head educators' proficiency in the organization of school financial assets in Bomet sub-county. The examination utilized an expressive review inquire about a plan and an example of 120 principals was looked over a masses of 174 head educators of open Secondary schools in Bomet sub -county. The study used questionnaires to collect data. The study found that most of the head teachers were ineffective in the management of school monetary due to being previously overworked with managerial responsibilities and class-work. The study suggested that the Government consider hiring bursars to assist principals in appropriate administration of school monies.

Uyar (2010) explored management and cost accounting exercises exploited by manufacturing companies functioned in Istanbul, Turkey. The study sampled 61 corporations, comprising both medium-sized and small firms, and big firms and used questionnaires to gather data. The research found that the most widely used cost accounting practice was job costing and that the complication in manufacturing poses as the uppermost positioning struggle in product costing. The study also found that firms perceive old-style management accounting tools still as significant and new management accounting exercises like transfer pricing and strategic planning are alleged less significant as compared to traditional ones.

2.2.2 Book keeping process and management of fund

Book keeping is the analysis, classification and recording of the business transactions in the books of accounts (Saleemi, 2008). This implies that it is a mechanical process that records the routine economic activities of a business either manually or electronically. Aruwa, (2009) and Reed (2009) cited in Ademola, (2012) that book or record keeping is the art of keeping record of figures of all transactions in a regular and systematic manner, such that the records kept provided various books of account which would be in permanent form or for the purpose of providing means by which an enterprise can be conducted in an orderly manner. The accountant creates reports from the recorded financial transactions recorded by the bookkeeper as cited by Okwena, (2011). The prime purpose of record keeping is therefore to provide accounting information for decision making. This implies that record keeping is a must among any form of business. Two common book keeping systems used by organisation and other businesses are the single entry and double entry systems.

Book keeping is an important step in management of fund since the information was used in the accounting process by an accountant to produce final accounts where the financial performance can be measured in an organization (Mutisya, 2015). Major financial decision making are then based on these records making it of great importance. Bookkeeping records must be accurate and complete to have the correct economic and financial interpretation. It not only measures performance but also measures the profitability and direction of the business. Most businesses fail because of lack correct records.

Every serious institution should maintain proper records relating to their business transactions. Proper book keeping is important to sustaining and expanding a business (Kenya National Bureau of Statistics, 2007). Record keeping avoids the risk of hitting cash flow crunches, wasting money, and missing out on opportunities for expansion. The purpose of book keeping is to help manage the business and also to enable tax agencies to evaluate the business activity. As long as book keeping achieves these objectives, the business was in the right direction. Any financial institution to deal with the firm must demand for the business records. It is important to keep business records since it enable user to know how to break even and how much each different product is performing (Chepkemoi, 2013). Effective and efficient record keeping practices secure your business from internal thieves and dishonest employees.

Maseko and Manyani (2010) analyzed the acts of bookkeeping record keeping for execution estimation utilized by medium endeavors in Zimbabwe. The examination focused on 100 little and medium undertakings working assembling firms, retail shops, just as providers of various administrations and utilized polls to gather information. The examination unveiled that most of the medium ventures don't keep complete bookkeeping records due to absence of bookkeeping know how learning; for this situation, there is an insufficient utilization of bookkeeping data in money related execution estimate. The examination proposed that national controllers must create explicit bookkeeping rules for small and medium ventures and create bookkeeping preparing programs for businesspersons in independent companies. Arrangement of records is an intricate procedure, which necessitates that whoever is entrusted with the duty of planning of these records, ought to have the imperative aptitudes and expert experience (Otieno & Nyangechi, 2013).

This may not be the case in Kenyan public schools because according to Simatwa et al (2012) in Nandi district in Western part of the Republic of Kenya, there were untrained bursars and accounts clerks working and handling financial matters of the school. The investigation discovered that there were a couple of schools, which had competent bookkeepers.

2.2.3 Internal control and management of fund

According to Millichamp and Taylor (2012), the working definition of internal control activities comprise of rules and guideline used to ensure managerial directives and decisions are implemented to the last soul and that fundamental moves are made to address whatever dangers undermining the achievement of hierarchical objectives. Fourthly, literal meaning of monitoring refers to supervisory aspect to ensure an organization functions as per the laid down structure. Control activities include policies and procedures which help the management to ensure proper execution of directives and take necessary actions to contain risks affecting the attainment of corporate goals. Control exercises are the nitty gritty strategies and systems that help the administration in taking vital activities to address the dangers that debilitate accomplishment of the association's targets. These incorporate a scope of exercises, for example, detailing, surveying and affirming of compromises, setting principles against which real execution is estimated, isolation of obligations and cost control forms argues (Millichamp & Taylor, 2012).

2.2.4 Automation of accounting practice and management of fund

Automation may literary mean the sending of organized and meaningful instructions from sender to the receiver to be used in decision making. In this study as adapted from Dallu (2016) it refers to the flow of information through the communication channels either upstream, downstream and across for effective decision making within the organization. Applicable data must be recognized, caught and imparted in a shape and time span that enables workers to complete their undertakings in a proficient and viable way.

Correspondence is two way, that is, top down and upward. Thusly, compelling correspondence must stream down, crosswise over and up in the association order. All faculties must get an unmistakable correspondence from the best directors who control the operations and it has to be taken cautiously and each individual must understand and take their duties in the ICSs seriously. The communication especially upstream must be significant argues as agreed by Dallu, (2016).

The success to good accounting practices relies on well trained and as well extremely inspired bursars, acting at adequately senior level, have a double role in evolving an actual school labor force by relieving head teachers as well as other members of the management team from a broader of school administration jobs. Though the head teacher is the principal accounting officer in the school, the officers to whom he has delegated the responsibility of bookkeeping should be competent. This can enable them to concentrate on the alteration of learning as well as education and by using their proficiency in resource management to support the wider remodeling of staff employment across the whole school (Otieno & Nyangechi, 2013).

2.2.5 Management of fund

A report from Chepkonga (2009) on Kenyan school's cash management concluded that monetary pressures seen in Schools was principally affected by many parties comprising politicians and parents' involvement among others. Nonetheless, Thenga (2014) in Sudan found that the SGBs in township schools had the problem in the funds management in schools. This was for the reason that parents in the SGBs of the designated township schools lacked knowledge making it hard for them to contribute implicitly in fiscal administration of the school.

Langat (2008) investigated the impact of government directions on fiscal management in public secondary schools in Nakuru Municipality in Kenya using an ex post facto research design. The investigation focused on 18 open auxiliary schools' head instructors inside the Nakuru region. The discoveries uncovered that the administration monetary guidelines had restricted the intensity of the school heads to subjectively decide and control the financing of physical offices. The examination additionally discovered that administration guidelines had all around controlled staff preparing in the schools to coordinate their necessities and assets and encouraged the handling and update of data in the budget reports as prove by improved administration, straightforwardness and responsibility in the schools' intermittent uses (Omoro, 2005). Njeru (2004) studied the financial management practice of head teachers in public secondary schools in central division, Embu district. The study sought to identify how the management of school finance is practiced in the target schools. The study employed descriptive research (and targeted a population of 25 head teachers and collected data using semi-structured questionnaires.

The findings of the study established that in cash management practices there was preparation of cash budgets though the span reported of one year is too long to allow for effective management of cash and the major source of cash was fees. The study also found that cash collections were banked daily and there was a variety of procedures employed to remind students of overdue debts. The study recommended that head teachers need to embrace a systematic approach to financial management.

Okumbe (1998) inspected the training cost and wellsprings of income to meet the learning costs. The examination focused on spending of income in a target, proficient and viable approach to cling to informative goals and convictions. The discoveries of the examination set up that spending arrangement were normal in many schools yet was not carefully clung to. In 1988, the administration of Kenya under the basic change programme executed the cost-sharing arrangement in social administrations including training (Okumbe 1998). In spite of the fact that the strategy was intended to rejuvenate arranging and the executives of training, it made numerous issues including the assurance of the quantity of expenses to be charged in schools.

Cadwell (1994) explored the effects of schools' resource management on the learning outcome. The study interviewed principals and found that decentralization of authority, accountability and answerability to schools, the management of schools improved and consequently an improvement in the learning outcomes. The study also explored the links between elements of reforms and educational results and established that the importance are the paths of ancillary effects, exemplified for resource distribution benefits which are intermediated in regarding to its curriculum and learning benefits through specialized benefits as well as confidence in attainment of school's future objectives.

The study concluded that acknowledging the anticipated benefits of better resource administration, stronger sense of course, improved answerability and accountability, greater monetary as well as managerial tractability, and improved long – term planning, had no direct effect on curriculum and learning benefits.

2.3 Theoretical Review

Numerous management theories are propounded as it may be; three of these theories were chosen for three of these speculations were picked for the purpose of this research. They are Classical management theory, Behaviorist management theory and stewardship theory.

2.3.1 Classical management model

The classical management model addresses the role that management plays in an organization. According to Ijaduola (2008), the theory exhale early in twentieth century with the seminal research work of Frederick Taylor and Henri Fayol. Since then many scholars of management have been put forward several theoretical models on how to administer work and workers competently and professionally. He states that the classical theory considered structural and technical factors as critical in improving hierarchical execution. The theory regarded a formed hierarchical organizational structure marked by vertical lines of authority, communication, co-ordination between individuals from the worry as pre-necessities for authoritative working and adequacy he included. Ndu, Ocho and Okeke (1997) stated some principles of the classical management theory, which was filled in as aides for managers.

The key stipulates that in an association, there must be one preeminent specialist and clear lines of power and their connections ought to be progressively and on a level plane indicated. Different fragments of the board standards incorporate; proficiency, designation, solidarity of direction, a range of control hierarchy of leadership and equalization as far as effectiveness, associations ought to be arranged and the goal achieved with the minimal conceivable expense.

Choices ought to be made at the most minimal skilled dimension; every specialist ought to be responsible to just a single prevalent so that there was no job strife. The principles of the classical management theory are useful to the supervisor of an establishment, as their insight enabled him to take care of issues identifying with assignments and elements of divisions and people, an arrangement of work to be done as far as occupation assignment, work specialization, the chain of the importance of power and co-appointment. The school principal is expected to apply this principle in staff employment and placement putting into cognizance their relevance and Centre of specialization for proper delegation of duty (Ndu, Ocho & Okeke, 1997).

2.3.2 Behaviorist management theory

One of the major theories to take into consideration when studying financial management practices of principals in seconding schools is the Behaviorist Theory. According to Wikipedia (2009), the theory's focus is the basic principle of reward and punishment in which case a staff is rewarded for exhibiting good behavior and is punished for misbehaving.

Mondy et al (2007) opined that the behaviorist theory was developed in reaction to the formal tradition of the classical models. According to main Emile Durkheim, a French sociologist emphasized the idea that groups of people having established their own values, rules and norms of behaviors, control human conduct in and social organization – This is, they were able to subordinate the behaviors of individual members of the group to the group values and norms. The school principal in discharging his managerial duties should apply the principles of this theory for rewarding and punishing staff as the case may be. This could save the school from waste of financial resources where staff like the bursars and the cashiers are rewarded or punished for financial malpractice.

2.3.3 Stewardship theory of management

Stewardship hypothesis focuses on those administrators, left individually, went about as capable stewards of benefits they oversee. The stewardship shows surmises that the chief will think of decisions to the greatest advantage of the firm, putting socialist choices above self-overhauling choices (Otieno & Nyangechi, 2013). This individual is inspired by doing the right thing for the company, since she believes that she was eventually benefit when the form succeeds (Davis et al, 1997). Maslow (1943) asserts that Stewardship theory is anchored in psychology and assumes that individuals are self-actualizing and hence, individuals want to achieve organizational goals without coercion. The stewardship theory advocates for collaboration between the School principal and the board of management.

2.4 Conceptual Framework

A Conceptual framework is defined as a diagrammatic representation that outlines how study variables perceptibly relate. The independent variables for this study include; corporate governance structures, principals' financial skills, Bursars and Accounting clerks' qualifications, involvement of students, parents and Teachers (PTA), budgeting, book keeping, internal controls and computerized accounting while the dependent variable is management of public funds.

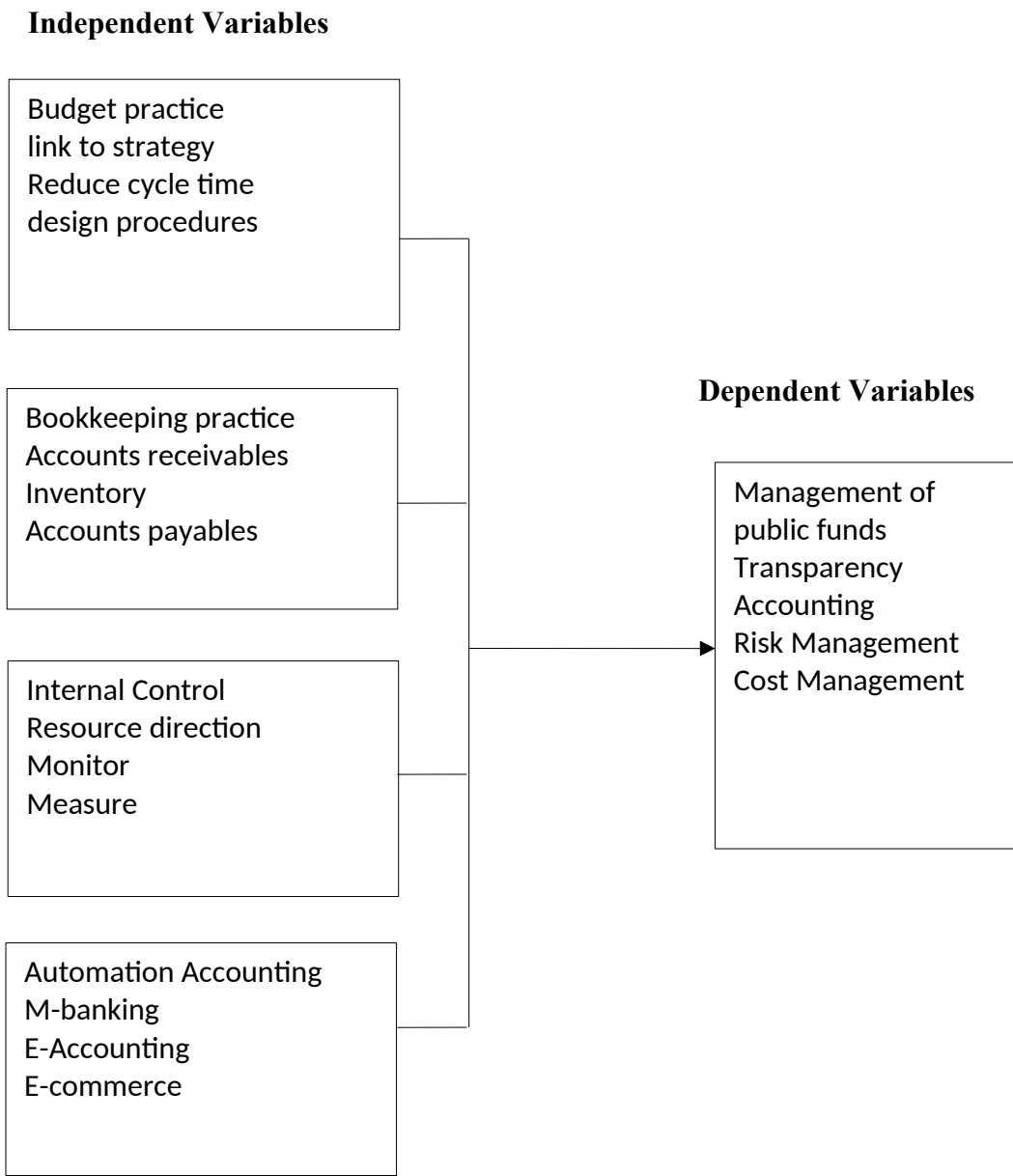


Figure 1: Conceptual frame work

Source: Researcher (2021)

2.5 Identification of Knowledge Gap

Munge, Kimani and Ngugi (2016) evaluated the factors influencing financial management in public Secondary Schools in Nakuru County. The research adopted a cross-sectional review research-design and targeted heads and bursars of public secondary schools in Kenya. Stratified random sampling process was used to draw a sample of 78 from the accessible population and an organized questionnaire was used to gather data. The findings of the study established that budget management and financial controls positively and significantly influenced financial management. The study recommended that public secondary schools should have effective budget management mechanisms and strong financial controls. The study dwelt on budgeting processes and that the study variables did not include bookkeeping creating a gap which this study sought to fill by studying underlying accounting principles which include bookkeeping and their influence on management of funds.

Kiriza, Walela and Kukubo (2015) explored monetary administration in public secondary schools in Kenya in Lurambi Sub-county of Kakamega County. The study targeted 17 principals of public secondary schools and 17 school account's clerk and collected data using questionnaires. The study found that schools relied mostly on finances from parentages and the management and hardly generated funds of their own, budget preparation was carried out by head teachers, head of departments and bursars, monitoring and supervision of the school budget was done by head teachers and board of management. The study also found that budget endorsement was largely conducted by board of management while the regime was not accessed.

The study failed to identify the accounting concepts which affect the day to day management of funds since it looked at the budgeting component which is a component of financial planning hence the need for this study.

Kaguri, Njati and Thiaine (2014) studied the monetary administration challenges facing execution of free day secondary learning in Imenti north district, Kenya. The study used questionnaires to collect data from the BOGs and PTAs while interview programs were managed to the principals. The study found that in financial planning; budgeting was often done in either a careless fashion or not done at all with insignificant involvement of learning shareholders in the budgetary procedure and monetary reports were poorly prepared while auditing was done in an arbitrary way. The study recommended that there was need for improvement of policy tracing of resources to make sure appropriate, sufficient and responsible utilization of resources budgeted for education in the right manner which can be done through external auditing or outsourcing of the services. The study failed to explore the underlying accounting principles which entails bookkeeping, internal control and automation which this study sought to study.

Sigilai and Bett (2013) assessed head teachers' efficiency in the administration of school monetary resources in Bomet sub-county. The study employed an expressive survey research-design and a sample of 120 principals was chosen from a populace of 174 head teachers of public primary schools in Bomet sub-county. The study used questionnaires to collect data. The study found that most of the head teachers were ineffective in the management of school monetary due to they were previously overworked with managerial responsibilities and class-work.

The study suggested that the Government consider hiring bursars to assist principals in appropriate administration of school of school monies. The study did not outline the key accounting concepts which the bursars proposed to be employed need to be conversant with and the resources required so as to ensure that their proper accounting records in place which this study sought to explore so as to ensure their proper management of funds.

Maseko and Manyani (2010) examined the practices of accounting record keeping for performance measurement used by medium enterprises in Zimbabwe. The study targeted 100 small and medium enterprises operating manufacturing firms, retail shops, as well as suppliers of numerous services and used questionnaires to collect data. The study disclosed that the majority of medium enterprises do not keep comprehensive accounting records due to of lack of accounting knowledge, in this case there is ineffective use of accounting information in monetary performance size. The research suggested that nationwide regulators must develop specific accounting guidelines for small and medium enterprises and develop accounting training programmes for businesspersons in small businesses. It was in contradiction of this contextual, that this research seeks to create the relationship between accounting practices and management of funds in public secondary schools in Kisii County, Kenya.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research design and methods that carried out the research. The chapter presents the study design, the population of the study, the data gathering procedure, validity and reliability and finally data analysis procedure.

3.2 Research Design

A research design is a set of choices that makes up the master plan stipulating the methods and processes for gathering and examining the needed information (Mathoko, 2007). The type of research design used in conducting this research was correlation research design. Correlation survey research design is a scientific method, which encompasses observing and defining the conduct of a subject without any manipulation. It was deemed appropriate because it involved collecting data in order to address the questions on the existing position of the matters of the research (Kothari, 2004). The design also allowed the researcher to generate both numerical and descriptive data information that was utilized in estimating connections among factors and it empowered the researcher to generalize its findings.

The study used quantitative methodologies in the gathering of information. The methodology empowers information to be methodically gathered and dissected to give a graphic record of the factors under investigation.

3.3 Study Area

The study was conducted in public secondary schools in Kisii County situated in part of Nyanza, Lake Region. It consists of nine Sub-Counties namely; Gucha South, Sameta, Masaba South, Kisii Central, Gucha, Kisii South, Nyamache, Marani and Kenyeny.

3.4 Target Population

A population is the whole measurements gathering of people or things that make up the total of all probable measurements in the research scope. The target population for this study was made up of the 365 public secondary schools bursars in Kisii County.

3.5 Sampling Size and Sampling Procedures

A representative's sample from the accessible population was selected. The sample was selected using stratified sample random sampling technique whereby the schools were categorized to four strata: National, Extra County, County and Sub-County schools. A proportional sample was selected from each category in order to determine the sample size. Yamane (1967) formula was used to compute the sample size which gave a sample of 190 and was distributed among the categories of schools as shown in Table 3.1.

$$n = \frac{N}{1 + N(e)^2}$$

Where n=sample size, N= Target Population size, e=margin error (0.05)

$$n = \frac{365}{1 + 365(0.05)^2} = 190 \text{ respondents}$$

Table 3. 1

Sample frame

Category	No. of Schools	Sample size
National school	2	1
Extra-County school	22	12
County school	43	22
Sub-County school	298	155
Total	0	0

Source: Research Data (2021)

3.6 Data Collection Instruments

Structured questionnaire was used as the main source of data collections. The questionnaire had both open ended and closed ended questions which was structured based on the research objectives.

3.6.1 Validity of the instrument

It is concerned with how an instrument measure what is required to measure (Kombo and Tromp, 2006). It is the degree of accuracy of the results analysed from the phenomenon under study. The validity of this study was subjected to the scrutiny of the supervisors from the subject area. The researcher together with the supervisors discussed what it entailed in the questionnaires before data collection and their suggestions were incorporated in order to uphold content validity.

3.6.2 Reliability of the instrument

Reliability is the measurement consistency as well as is regularly evaluated using the test-retest dependability method while validity is the amount by which the sample of test items signifies the content the test is planned to measure. It is degree to which the tools of research give consistent results after repeated trials (Mugenda & Mugenda, 2003). It is concerned with the accuracy and consistency of events or segments of data that are assigned the different occasions on the same category (Hammersley, 1992). In the study reliability was ascertained by conducting a pilot study in Nyamira County with different group of respondents who did not contribute in the actual study. Nyamira County was preferred for piloting because it had similar characteristics with the targeted county. Reliability was tested using Cronbach Alpha were a coefficient of 0.87 was actualized thus the research instrument was deemed acceptable (Cohen, Manion and Morrison, 2005).

3.7 Data Collection Procedures

The collected data was edited for accuracy, reliability and dependability as well as extensiveness and then evaluated using inferential and descriptive statistics with the help of the Statistical Package for Social Studies. Descriptive statistics include measures of central tendency like the mean, percentages and the standard deviation while inferential statistics was used to draw conclusions.

3.8 Data Analysis and Presentation

A multiple linear regression was used to establish the link between the degree in which accounting practices relate with management of funds among public secondary schools in Kisii County. The regression model adopted was;

$$(Y) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where: Y= management of public funds, β_0 = Constant, β_1 = Beta Coefficient of X_1 , X_1 = Budget practices, β_2 = Beta Coefficient of X_2 , X_2 = Book keeping practices, β_3 = Beta Coefficient of X_3 , X_3 = Internal Control, β_4 = Beta Coefficient of X_4 , X_4 = Automation Accounting, ε = Error term

3.9 Ethical Considerations

The study sought for the consent and authorization for respondents through the use of an introductory letter, secrecy was guaranteed all through the information gathering process since the names of the respondents won't be demonstrated in the exploration instruments. Permission was sought from university and NACOSTI before data collection.

CHAPTER FOUR
RESULTS AND DISCUSSION

4.1 Introduction

This chapter entails the findings of the study and its discussions. The presentation is as follows; response rate, descriptive and inferential presentation of objective. The presentation included pie chart, bar graph and tables.

4.2 Response Rate

According to Mugenda and Mugenda (2003) above 80% response rate is an excellent data that can be used for further interpretation. The returned and unreturned data were analyzed in the Table 4.1 below.

Table 4. 1

Response

Response Rate	Frequency	Percentage
Returned	178	93.7%
Unreturned	12	6.3%
Total	190	100%

Source: Research Data (2021)

Based on Table 4.1 results of 93.7% where 178 out of 190 respondents was sufficient. This was further supported by Babbie (2002) argument that the response rate of 60% is good, 70% is very good and 50% is adequate for analysis, therefore the response rate of 93.7% was very good.

4.3 Background Information

Background information presenting data that provided demographic information which included job description, experience at work, duration of the institution, gender, work reporting line, financial training and main source of finance. This assisted to understand the background information of the school, respondents and its environment it operates especially in accounting process as well as financial management concepts.

Table 4. 2

Job description

	Frequency	Percent	Valid Percent	Cumulative Percent
Bursar	94	52.8	52.8	52.8
Valid Administrator	67	37.6	37.6	90.4
BOM	17	9.6	9.6	100.0
Total	178	100.0	100.0	

Source: Research Data (2021)

The result from Table 4.2 indicated that 94 bursars, 67 administrators and 17 BOM were investigated representing 52.8%, 37.6% and 9.6% respectively. The data entailed bursar who practiced the accounting process, administrators who controls and BOM who manage and allocate funds.

Table 4. 3

School existence

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Below 4 years	39	21.9	21.9	21.9
4-8 years	93	52.2	52.2	74.2
8-12 years	29	16.3	16.3	90.4
12-16 years	17	9.6	9.6	100.0
Total	178	100.0	100.0	

Source: Research Data (2021)

The working experience was analysed and presented in Table 4.3. The data indicated that majority of the respondents had been in the school between 4-8 years representing 93(52.2%) of the total respondents. Those who have worked for four years and below are 39 respondents representing 21.9% of total respondent. Subsequently, those who have been in the institutions between 8-12 years as well as 12-16 years were 29(16.3%) and 17(9.6%) respondents respectively. This results indicates that most of the respondents have worked in the institution 0-8 years indicating relatively higher job turnover.

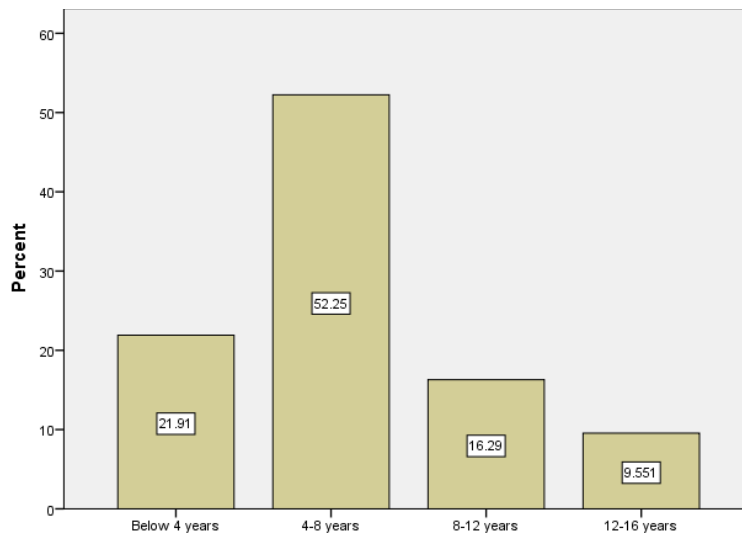


Figure 2: Duration of working in current school

Source: Research Data (2021)

The graph represented by Figure 4.1 indicate a positively skew graph with majority of the respondents having worked between 0-8 years. This indicate high job turnover within the period. This must be as results of government policies of management of school to reduce corruption and mismanagement of funds.

Table 4. 4

Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	110	61.8	61.8	61.8
Valid Female	68	38.2	38.2	100.0
Total	178	100.0	100.0	

Source: Research Data (2021)

The data on Table 4.4 indicates that majority of administrators, bursars and BOM are male who were 110 representing 61.8% of the respondents. The female follows with 68 respondents representing 38.2% of 178 respondents. This reveals that schools in Kisii County adhere to two third gender rule as stipulated in the Constitution of Kenya 2010.

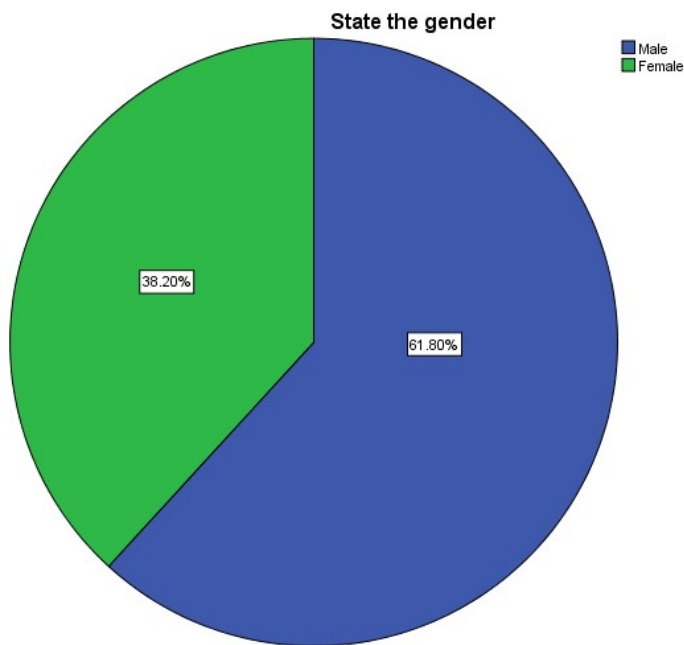


Figure 3: Gender

Source: Research Data (2021)

Figure 4.2 indicate that the males are twice many in management of funds as the female counterpart. This indicate there is a need to encourage women to participate in position that would allow them to make decision and manage funds.

Table 4. 5

Report line

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid Officers	BOM	47	26.4	26.4	26.4
	Quality Assurance	17	9.6	9.6	36.0
	Principal	114	64.0	64.0	100.0
Total		178	100.0	100.0	

Source: Research Data (2021)

The results in Table 4.5 revealed that most reporting line is to the principal as an administrator especially bursar who 114 respondents representing 64.0%. It was followed by BOM who supervise and control the funds from the administrators. While the BOM gave viable reports to the government thought Quality Assurance Officers (QAS) who were represented by 17 respondents representing 9.4%.

Table 4. 6

Training in financial management

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	145	81.5	81.5	81.5
	No	33	18.5	18.5	100.0
Total		178	100.0	100.0	

Source: Research Data (2021)

In regards to training in financial management it was found that majority who were bursars also had undergone financial management training (Table 4.6). Those have undergone training in financial management were 145 respondents while those who have not were 33 respondents representing 81.5% and 33% respectively. The results indicate high literacy level in funds' management.

Table 4. 7

Main source of finance in school

	Frequency	Percent	Valid Percent	Cumulative Percent
Government disbursement	157	88.2	88.2	88.2
Parents contributions	21	11.8	11.8	100.0
Total	178	100.0	100.0	

Source: Research Data (2021)

In Table 4.7 data obtained on source of finance indicate that majority of funds come from government disbursement as indicates by 157 respondents representing 88.2% of the total respondents. While 21 respondents representing 11.8% of the total respondents were supported by parents' contributions.

4.4 Descriptive Results for Accounting Practice and Funds' Management

Descriptive statistics results were obtained using frequency, percentage that were presented using mean as the average measure. The descriptive statistics are used for explain the concepts of accounting practice which were broken into measurable indicators which are budgeting practice, bookkeeping practices, internal control practices and automation accounting practices in relation to funds management.

4.4.1 Budgeting practice and funds management

The section contributes to knowledge and results for the first objective in this study. It displays information about budgeting practice which were measure using a Likert scale where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree. This enable mean as a computed descriptive statistic with frequencies as well as percentages.

Table 4. 8

Budgeting practice and funds management

Budgeting Practices	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
Stakeholders are involved in budget preparation hence enable to manage finance.	78, 43.8%	34, 19.1%	15, 8.4%	22, 12.4%	29, 16.3%	3.618
The financial budget are vetted annually to ensure that the school are well funded with the year.	42, 23.6%	103, 57.9%	15, 8.4%	0, 0.0%	18, 10.1%	3.848
Financial budgets estimates are adhered to with less deviation	7, 3.9%	86, 48.3%	43, 24.2%	0, 0.0%	42, 23.6%	3.090
The school depend on accounting expert when developing budget for proper funds management	0, 0.0%	67, 37.6%	43, 24.2%	36, 20.2%	32, 18.0%	2.814
The management conducts comparison of current spending with budget estimate which has enhance management of finance.	42, 23.6%	61, 34.3%	58, 32.6%	0, 0.0%	17, 9.6%	3.624

Source: Research Data (2021)

The results in Table 4.8 reveals that stakeholders were involved in budget preparation

hence enable to manage finance. This because those were 78 respondents strongly agreed representing 43.8%, 34 respondents agreed representing 19.1%, 15 respondents were neutral representing 8.4%, 22 respondents disagreed representing 12.4 and finally 29 strongly disagreed representing 16.3% that stakeholders participate in budget preparation. The mean of 3.618 reveals that in majority of budget decision the respondents are involved in decision making.

In respondents the whether financial budget was vetted annually to ensure that the school are well funded with the year. The results indicated that 42 respondents strongly agreed respondents representing 23.6%, 103 respondents agreed representing 57.9%, 15 were neutral representing 8.4% and 18 respondents strongly disagreed representing 10.1%. This implied that financial budget was vetted to ensure the schools is well funded supported by mean of 3.848.

Financial budgets estimates were somehow adhered to with less deviation as portrayed by results where 7 respondents representing 3.9% strongly agreed, 86 respondents representing 48.3% agreed, while 43 respondents 24.2% were neutral and 42 respondents representing 23.6% strongly disagreed. It indicated that somewhat the financial budget estimates were adhered to with less deviation between the estimates and the actual spending's and earnings as shown by a mean of 3.090.

There were 67 (37.6%) respondents agreed, 43(24.2%) respondents were neutral, 36(20.2%) respondents disagreed and 32(18.0%) strongly disagreed that the school depend on accounting expert when developing budget for proper funds management.

The findings revealed the school depend on accounting expert to small extent when

developing budget as shown by a mean of 2.814. Hence majority of the school does not use accounting expert for budgeting but the bursar presents and management experience of the participants.

The findings reveal that management conducts comparison of current spending with budget estimate which has enhance management of finance to some extent. This was shown where 42 strongly agreed representing 23.6%, 61 agreed representing 34.3%, 58 were neutral representing 32.6% and 17 strongly agreed representing 9.6% of the total respondents of 178. The mean of 3.624 indicated current spending were compared with budget estimates so as to enhance financial management.

4.4.2 Book keeping practices and fund's management

The section introduces book keeping practices and management of funds as results for objective two. Bookkeeping practice was assessed used Likert Scale with 1= strongly agree, 2=Disagree, 3=Neutral, 4 =Agree and 5=Strongly agree. This allowed descriptive analysis which included frequencies, percentages and mean of variables.

Table 4. 9

Bookkeeping practices and funds' management

Bookkeeping Practices	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
The school have receipt and invoice books that assist in trailing the finance for transparency.	32, 18.0%	103, 57.9%	36, 20.2%	7, 3.9%	0, 0.0%	3.899
Daily financial are recorded in respective journal voucher, cashbook and ledger book to ensure that all records are accountable.	132, 74.2%	46, 25.8%	0, 0.0%	0, 0.0%	0, 0.0%	4.742
Schools fees are recorded and receipted to using cheques and bank slips to ensure fees are well recorded.	0, 0.0%	84, 47.2%	58, 32.6%	25, 14.0%	11, 6.2%	3.208
All government disbursements accounts are well accounted for to ensure that funds are accounted for.	90, 50.6%	88, 49.4%	0, 0.0%	0, 0.0%	0, 0.0%	4.506
Financial statement which includes statement of income, balance sheet and cash flow statement are used to ensure accountability and transparency.	118, 66.3%	53, 29.8%	7, 3.9%	0, 0.0%	0, 0.0%	4.624

Source: Research Data (2021)

Table 4.9 indicate that the school have receipt and invoice books that assist in trailing the finance for transparency to great extent. This were shown by 32 respondents who strongly agreed representing 18.0%, 103 respondents agreed representing 57.9%, 36 respondents were neutral representing 20.2% and 7 respondents disagrees representing 3.9% of the 178 respondents. The mean of 3.899 further verified that receipts and invoice books were used in ensuring there is paper trailing of all finance to ensure that there is transparency in funds management.

It was found that majority of the schools used daily financial are recorded in respective journal voucher, cashbook and ledger book to ensure that all records are accountable. This is because 132 (74.2%) respondents strongly agreed and 46(25.8%) respondents agreed this produced a mean of 4.742 meaning the accountability based on bookkeeping practices assist in managing finance. It is indicating that journal vouchers, cashbook and ledger book assisted to accountability in the schools to a greater extent.

Schools fees are recorded and receipted to using cheques and bank slips to ensure fees are well recorded to some extent. The respondents indicated that 84 respondents agreed representing 47.2%, 58 respondents were neutral representing 32.6%, 25 respondents disagreed representing 14.0% and 11 respondents representing 6.2% with a mean of 3.208. The respondent indicates that all government disbursements accounts were well accounted for to ensure that funds are accounted for since 90 respondents representing 50.6% strongly agreed and 88 respondents representing 49.4% agreed. A mean of 4.506 indicates that the school accounted for government funds that were allocated with the fiscal year.

In regards to financial statement which includes statement of income, balance sheet and cash flow statement are used to ensure accountability and transparency. It was found that 118 respondents were strongly agreed representing 66.3%, 53 respondents agreed representing 29.8% and 7 respondents was neutral representing 3.9%. It was noted that financial statement which includes income statement, balance sheet and cash flow statement was used for accountability as indicated by the mean of 4.624. this reveals that bookkeeping is an important step in management of fund since the information was used in the accounting process by an accountant to produce final accounts where the financial performance can be measured in an organization (Mutisya, 2015). It also enable user to know how to break even and how much each different product is performing, thus effective and efficient record keeping practices secure your business from internal thieves and dishonest employees, (Chepkemoi, 2013). Otieno & Nyangechi, (2013) suggested that arrangement of accounting records necessitates for a competent bookkeeper to be entrusted with the duty of recording and journalizing of these records.

4.4.3 Internal control practices and funds' management

Internal control practices were examined against the funds management where Likert scales that was represented by 1= is strongly disagree 2=Disagree, 3=Neutral, 4=Agree and= 5 strongly agree. Frequency, percentage and mean were obtained for internal control practices and hence management funds.

Table 4. 10

Internal control practices and funds' management

Internal Control Practices	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
The school have ensured effective physical control and security of school assets ensuring accountability of school property.	149, 83.7%	15, 8.4%	7, 3.9%	7, 3.9%	0, 0.0%	4.640
Use of money and access to fund are approved by management for control of expenses.	92, 51.7%	68, 39.2%	0, 0.0%	7, 3.9%	11, 6.2%	4.253
Adequate documentation and maintenance of school records are need at every process to control finance.	108, 60.7%	51, 28.7%	7, 3.9%	0, 0.0%	12, 6.7%	4.365
Effective verifications and reconciliation are made in all accounts to ensure proper financial management.	93, 52.2%	60, 33.7%	0, 0.0%	7, 3.9%	18, 10.1%	4.140
There exist frequent monitoring and evaluation of internal controls processes	0, 0.0%	57, 32.0%	29, 16.3%	29, 16.3%	63, 35.4%	2.449

Source: Research Data (2021)

According to Table 4.10 the results for the school has ensured effective physical control and security of school assets ensuring accountability of school property. This was strongly agreed by 149 respondents representing 83.7%, 15 respondents representing 8.4% agreed, 7 respondents representing 3.9% were neutral and 7 respondent disagreed representing 3.9%. Hence it was implied that school ensured that there was no loss as result of school property making the school to be accountable for all school assets as indicated by mean of 4.640.

Pertaining to the use of money and access to fund it was found that the management approved so as to control of expenses in great extent. This was shown by 92 respondents who strongly agreed representing 51.7%, 68 respondents agreed representing 39.2%, 7 respondents disagreed representing 3.9% and 11 respondents strongly disagreed representing 6.2%. The mean of 4.253 showed the strong management of funds usage and accessibility that has enhanced control of expenses reducing wastages.

In relation to adequacy of documentation and maintenance of school records the school controlled finance at every process. The response was strongly agreed upon by 108(60.7%) respondents, 51(28.7%) agreed, 7(3.9%) were neutral and 12(6.7%) strongly disagreed. A mean of 4.365 bared proof that there is need for adequate documentation and maintenance of school records was used for control process.

It was also evident that effective verifications and reconciliation were made in all accounts to ensure proper financial management. This was indicated by the results where 93(52.2%) strongly agreed, 60(33.7%) agreed, 7(3.9%) disagreed and 18(10.1%) strongly disagreed.

Moreover, results from the mean of 4.140 indicated that it was important to verify and reconciliation all account for proper financial management. Further, results indicated that there exist no frequent monitoring and evaluation of internal controls processes where 57(32.0%) agreed, 29(16.3%) were neutral, 29(16.3%) disagreed and 63(35.4%) strongly disagreed from the entire 178 respondents. A mean of 2.449 indicate there was low monitoring and evaluation of internal control process which somehow would affect management of funds in the school. Millichamp and Taylor (2012), suggested that there is need of rules and guideline so as to ensure managerial directives and decisions are implemented. Control activities such as policies and procedures need to be in place to ensure proper execution of directives and necessary actions taken to contain risks affecting the attainment of corporate goals. Internal control are the nitty gritty strategies and systems, detailing, surveying and affirming of compromises, setting principles against which institutions ought to adopt (Millichamp & Taylor, 2012).

4.4.4 Automation accounting practices and funds' management

The forth objective was measures using Likert scales where 1= is strongly disagree 2=Disagree, 3=Neutral, 4=Agree and= 5 strongly agree. This was to ascertain automation accounting practices that were used in funds' management and how effective they were. Mean were obtained from the frequency and percentage of the Likert scale used.

Table 4. 11

Automation

Automation Accounting Practices	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
The school have embrace m-banking through new innovation of sending and receiving money	114, 64.0%	35, 19.7%	0, 0.0%	8, 4.5%	21, 11.8%	4.197
Electronic accounting software are used to ensure accurate and efficient reporting the financial statement.	48, 27.0%	87, 48.9%	28, 15.7%	8, 4.5%	7, 3.9%	3.905
Financial statement are automated and hence there is soft copy documentation as well as printed hard copy.	84, 47.2%	65, 36.5%	0, 0.0%	11, 6.2%	18, 10.1%	4.045
Bookkeeping are computerized and stored in computer.	84, 47.2%	61, 34.3%	7, 3.9%	8, 4.5%	18, 10.1%	4.039
The institution have encouraged innovation in funds management in order to reduce risk.	77, 43.3%	68, 38.2%	8, 4.5%	7, 3.6%	18, 10.1%	4.006

Source: Research Data (2021)

Table 4.11 examined if the school had embrace m-banking through new innovation of sending and receiving money. The results indicated that there were 114(64.0%)

strongly agreed, 35(19.7%) agreed, 8(4.5%) disagreed and 21(11.8%) strongly disagreed from 179 respondents that they embrace m-banking. The results from mean of 4.197 indicate that m-banking technology has been embraced by the schools in receiving and sending money.

It was also investigating if electronic accounting software were used to ensure accurate and efficient reporting the financial statement. It was found to be used to some extent since 48 (27.0%) respondents strongly agreed, 87(48.9%) agreed, 28(15.7%) were neutral, 8(4.5%) disagreed and 7(3.9%) strongly disagreed. The mean of 3.905 reveals that electronic accounting is finding its way to school which assure the school to have efficient reporting of financial statement.

The findings also showed that financial statement were automated and hence there is soft copy documentation as well as printed hard copy. Innovative way of handling school finance as shown from results where 84(47.2%) strongly agreed, 65(36.5%) agreed, 11(6.2%) disagreed and 18(10.1%) strongly agreed from response rate of 178 respondents has affect financial statement outputs. The mean of 4.045 shows that softcopies as well as hard copy are utilized in financial documentation.

The question if bookkeeping were computerized and stored in computer was respondent where 84(47.2%) strongly agreed, 61(34.3%) agreed, 7(3.9%) neutral, 8(4.5%) disagreed and 18(10.1%) strongly disagreed from 178 respondents. It implies that bookkeeping has been extensively computerized as well as stored in soft copies as indicated by mean of 4.039.

Finally, the institution had encouraged innovation in funds management in order to reduce risk. This was indicated were 77(43.3%) strongly agreed, 68(38.2%) agreed,

8(4.5%) were neutral, 7(3.6%) disagreed and 18(10.1%) strongly disagreed. A mean of 4.006 revealed that majority of institution encouraged innovation in funds management so as to reduce risk. This findings concurs with those of Dallu (2016) who noted that applicable data must be recognized, caught and imparted in a shape and time span that enables workers to complete their undertakings in a proficient and viable way.

The success to good accounting practices relies on well trained as well extremely inspired bursars who relieved head teachers as well as other members of the management team from a broader of school administration jobs. Though the head teacher is the principal accounting officer in the school, the officers to whom he has delegated the responsibility of bookkeeping should be competent, (Otieno & Nyangechi, 2013).

4.4.5 Accounting practices and funds' management

The research also investigated accounting practices on management of funds. Where a Likert scale was used to assess the results represented by 1= is strongly disagree 2=Disagree, 3=Neutral, 4=Agree and= 5 strongly agree. This produced the means as well as frequency and percentages.

Table 4. 12

Accounting practice and funds' management

Accounting Practice	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
Budgeting has enhanced transparency in financial management in the school	56, 31.5%	64, 36.0%	33, 18.5%	25, 14.0%	0, 0.0%	3.848
The school have better accounting to ensure accountability in funds management	20, 11.2%	105, 59.0%	46, 25.8%	7, 3.9%	0, 0.0%	3.775
The management has ensured internal control of funds to ensure management of financial risk.	48, 27.0%	60, 33.7%	49, 27.5%	21, 11.8%	0, 0.0%	3.758
Automation in accounting has reduced cost through management of funds	7, 3.9%	68, 38.2%	75, 42.1%	14, 7.9%	14, 7.9%	3.225
Funds are well managed through accounting processes.	62, 34.8%	69, 38.8%	26, 14.6%	21, 11.8%	0, 0.0%	3.966

Source: Research Data (2021)

According Table 4.12 the budgeting has enhanced transparency in financial management in the school where 56(31.5%) strongly agreed, 64(36.0%) agreed, 33(18.5%) neutral and 25(14.0%) disagree. Budgeting has enhanced transparently in financial management in the school to great extend (mean of 3.848).

It was found that the school had better accounting to ensure accountability in funds management where 20(11.2%) strongly agreed, 105(59.0%) agreed, 46(25.8%) were neutral and 7(3.9%) disagreed from total of 178 respondents. It was revealed with mean of 3.775 that school management had better accounting and bookkeeping in ensuring that funds are well management.

According to the response the management had ensured internal control of funds to ensure management of financial risk where 48(27.0%) strongly agreed, 60(33.7%) agreed, 49(27.5%) were neutral and 21(11.8%) disagreed. The results showed that school ensured internal control of funds in order to reduce financial risk indicated by mean of 3.758.

It was also found that automation in accounting did reduced cost through management of funds to some extent where 7(3.9%) strongly agreed, 68(38.2%) agreed, 75(42.1%) neutral, 14(7.9%) disagreed and 14(7.9%) strongly disagreed. A mean of 3.225 was found which implied that automation in accounting affect to some extent management of funds.

Finally, it was found that funds were well managed through accounting processes. This was shown by 62(34.8%) who strongly agreed, 69(38.8%) agreed, 26(14.6%) neutral and 21(11.8%) disagreed.

4.5 Inferential Statistics on Accounting Practices and Funds Management

Regression model was which involved correlation coefficient, coefficient of determination and regression model were used to explain the relationship between accounting processes and funds' management. The result was further interpreted to obtain viable information as indicated in the tables.

Table 4. 13

Regression analysis

R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				Durbin-Watson	
				R Square Change	F Change	df1	df2		Sig.
.939 ^a	.882	.879	.34286	.882	322.118	4	173	.000	1.651

Source: Research Data (2021)

The result from Table 4.13 indicates that there was strong correlation between accounting process and funds' management representing by correlation of 0.939 (R =0.939). It was found that the coefficient of determination which was given by R Square = 0.882 indicated that 88.2% of the variation of fund's management was due to accounting processes, while other factors was explained the remaining 21.8%. This reveals that the independent variables adopted by the study explained 88.2% of accounting principles while the 21.8% is explained by other variables not adopted by the study.

Table 4. 14

ANOVA for accounting practices and funds management

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	151.461	4	37.865	322.118	.000 ^b
	Residual	20.336	173	0.118		
	Total	171.798	177			

a. Dependent Variable: Funds Management.

b. Predictors: (Constant), Automation in accounting, Budgeting, Bookkeeping, Internal Control

Source: Research Data (2021)

The regression model was appropriate for testing the relationship which indicated that accounting process was significantly related to the funds' management ($P < 0.05$). The mean square of the residuals was very small (0.118) compared to mean square of the regression (37.865). Further, the F-statistics of the regression ($F_{(4, 173)} = 322.118$) which was statistically significant ($p < 0.01$) indicates that the model significantly predict the change of the dependent variable as a result of the four predictor variables included in the model.

This implies that the coefficients of the model are not equal to zero, suggesting that the model fits the data significantly. Hence, there is significant relationship between accounting process practices and fund's management. These findings concurs with those of Langat (2008), who noted that the administration monetary guidelines had restricted the intensity of the school heads to subjectively decide and control the financing of physical offices.

The examination additionally discovered that administration guidelines had all around controlled staff preparing in the schools to coordinate their necessities and assets and encouraged the handling and update of data in the budget reports as prove by improved administration, straightforwardness and responsibility in the schools' intermittent uses (Omor, 2005).

The findings that school have adopted better accounting practices so as to ensure accountability in funds management by use of internal control of funds thus reducing on financial risk through accounting processes and automation concurs with Njeru (2004) who established that in cash management practices head teachers need to embrace a systematic approach to financial management.

Table 4. 15

Regression coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error				Beta	Tolerance
(Constant)	.468	.147		3.188	.002		
Budgeting Practices	.301	.041	.312	7.346	.000	.379	2.637
Bookkeeping Practices	.122	.052	.086	2.336	.021	.511	1.958
1 Internal Control Practices	.684	.044	.682	15.723	.000	.364	2.749
Automation in Accounting Practices	.071	.044	.068	1.620	.107	.393	2.544

a. Dependent Variable: Funds Management.

Source: Research Data (2021)

The regression model now becomes;

$$Y = 0.468 + 0.301X_1 + 0.122X_2 + 0.684X_3 + 0.071X_4$$

Where: Y = management of public funds

β_0 = Constant

X1 = Budget practices

X2 = Book keeping practices

X3 = Internal Control practices

X4 = Automation Accounting practices

This results indicates that one-unit increase in budget practices would results to 0.301 increase in funds' management, a unit increase in bookkeeping practice would result into 0.122-unit increase in funds' management, a unit increase in internal control practices leads to 0.684 increase in funds' management and finally a unit increase in automation accounting practices lead to 0.071 increase in funds' management. Hence internal control practices were followed by budgeting practice then book keeping were significant and assist in management of funds. While automation accounting practices were not significant on fund's management.

The result showed that budgeting practices was significant since it had a significance of $(r=0.000, p<0.05)$, bookkeeping practices has a significance of $(r=0.021, p<0.05)$ and internal control practices had a significance of $(r=0.000, p<0.05)$, all the three significantly affected the funds' management since the $p<0.05$). The results indicated automation accounting practices did not significantly affect funds management since it had a significance value of $(r=0.107, p>0.05)$.

The success to good accounting practices relies on well trained as well extremely inspired bursars who relieved head teachers as well as other members of the management team from a broader of school administration jobs. Though the head teacher is the principal accounting officer in the school, the officers to whom he has delegated the responsibility of bookkeeping should be competent, (Otieno & Nyangechi, 2013). This findings concurs with those of Dallu (2016) who noted that applicable data must be recognized, caught and imparted in a shape and time span that enables workers to complete their undertakings in a proficient and viable way.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The section represent finds summary, conclusion and recommendation. It also represents area for further recommendation.

5.2 Summary

The study had a response rate of 95.1% which allowed the researcher to continue with the research. It respondent were bursars, administrators and BOM representing 52.8%, 37.6% and 9.6% respectively. According to the results most respondents have worked for 0-8 years indicating a high job turnover. It was found that most school have existed for more than 10 years. There were as twice as many male as the female respondent. Most of the respondents were reporting to principal ten BOM and finally represented by 64.0%, 26.4% and 9.6% respectively. It was found that most of the respondents especially the bursar had undergone some training. Finally, the finding revealed that most funding come from government disbursement and parents' contribution representing 88.2% and 11.8% of the respondents.

5.2.1 Budgeting practices

The result on budget practices showed high participation of stakeholders in budget preparation (mean of 3.618). It was found that financial budget was vetted annually in majority of the school for financial transparency (mean of 3.848). Financial budgets estimates were adhered to some extent with less deviation from the actual amounts (mean of 3.090).

The finding revealed that most school did not depend on accounting experts in budget estimate but relied on the existing bursar for funds management (mean of 2.814). It was then revealed that management conducted comparison of current spending's and budget estimates to enhance management in finance (mean of 3.624). The budgeting practices was found to positive significant to the funds management ($r=0.000$, $P<0.05$). Budgeting was the second factor of accounting process that affected funds management after internal control practices.

5.2.2 Book keeping practices

Bookkeeping was found to be crucial as accounting practices since proper receipts and invoicing would assist in paper trailing for purpose of transparency (mean of 3.899). The finding indicated that school prepared journal vouchers, cashbook and ledger book for accountability (mean of 4.742). The results further indicated that school are paid using cheques and banks slip to ensure that fees are well recorded and managed (mean of 3.208). It was further revealed that government disbursements accounts were well maintained and accounted for accountability purposes (mean of 4.506). Hence financial statement was produced for more accountability purpose as well as transparency (mean of 4.624). It was found that bookkeeping practices was positively related to funds' management ($r=0.021$, $p<0.05$). It was the third factor that affected funds management after internal control and budgeting practices.

5.3.3 Internal control practices

Internal control practices were found to be crucial for management of funds in school. This assisted in management of school asset where all asset must be accounted and recorded for (mean of 4.640). The control also involved management of use of money as well as access to funds (mean of 4.253). It was found that adequate documentation and maintenance of school records are used in controlling finance (mean of 4.365). It was found that verification and reconciliation of accounts assisted in financial management (mean of 4.140). It was found that monitoring was not done frequently (mean of 2.449). Hence internal control significantly and positively affected funds management ($r=0.000$, $p<0.05$). Internal control practice was found to be leading in accounting process when management funds.

5.2.4 Automation accounting practices

Automation in accounting is first growing concept that enable accounting to be computerized. The findings indicated that the schools embraced m-banking concept in sending and receiving money (mean of 4.197). There are school who are currently utilizing the electronic accounting software that provide accurate and efficient reporting of financial statement (mean of 3.905). According to further findings on financial statement automation is done in storage documentation in soft copy (mean of 4.045). Hence bookkeeping are becoming computerized and storage are done in computer (mean of 4.039). The institution has encouraged innovation and funds management so as to reduce risk (mean of 4.006). Hence automation has no

significant relationship with management of funds since it had a significance of ($r=0.107$, $p<0.05$).

5.3 Conclusions

The study makes the following conclusions based on the research findings;

5.3.1 Budgeting practices

It concluded its important stakeholders be involved in budget preparation enabled the management. The financial budget must undergo vetting annually by the stakeholders. It was also found that school rarely dependent on accounting experts but checked whether the estimates are attained through employed bursars. The research revealed that budgeting as a practice was significant on ensuring that financed were managed well. It enables the school to reduce over spending and hence manage the financial performance of the school.

5.3.2 Book keeping practices

The research concluded on bookkeeping to be significant in management of funds since it allows the school to keep trail of all transaction that are conducted. School keep records through the use of receipt books, journal vouchers, ledger books which were used to produce financial statement which includes cash flow, balance sheet and income statement. The research also found that cheques and bank slip were preferred for accountability and managing funds. All government disbursements were well accounted and hence bookkeeping is a crucial aspect of accounting. Hence bookkeeping had significant relationship with funds management.

5.3.3 Internal control practices

Internal control practices were found to assist a lot in management of funds. It the highest contributor in management of funds'. The research concluded that most school ensured all asset were well recorded and management to ensure accountability. There existed control in use and access to money as well as documentation of all transaction to ensure financial control. The school also provided verification and reconciliation of all accounting for proper financial management. Also there exist few monitoring and evaluation in internal controls which are necessary to be addressed. Hence internal control has significant positive relation to funds' management.

5.3.4 Automation accounting practices

The study concluded that automation through m-banking and electronic accounting software are some of emerging issues. The software's are found to assist in providing accurate results as well as encourage storage of bookkeeping. The institution has encouraged use of innovation in funds management as well as use of technology in receiving and sending money. Despite the growth in innovation and use of automation this has no significantly influenced the management of funds.

5.4 Recommendations

The research recommends to the school to conduct training and employee qualified bursars and ensure that accounts are well budgeted. The targeted budget should be with minimal deviation from the exact value. The research recommends to school management to involve experts in trainings to reduce redundancy in funds

management.

Bookkeeping assist a lot in paper trail, accountability and transparency. It is important for school to emphasis on use of cheques and banks slips to management finance. It also crucial for daily records to be prepared for management of funds. There is a need for daily preparation of necessary recording of information to ensure that all that financial statements are well prepared.

The study recommends in internal control that there is need to increase internal control practices since there was laxity in monitoring and evaluation of internal control process. These elapses have negative effect on the management of funds. Since internal control practices assisted to a large extent the funds' management.

The study also recommends to management to further investigate on innovation especially the use of accounting systems. This is because there are lack of standard software as well as poor legislation on the use of electronic system of accounting. The ministry of education should provide standardized accounting system that would ease the use of accounting systems.

5.6 Suggestions for Further Research

The research suggests further studies to be done on;

There is need to investigate the use of accounting system in funds' management. This is to investigate whether they significantly contribute to accuracy, transparency and accountability in financial management.

The study also recommends on the need to further investigate on the internal control

mechanism in funds management. This is to clarify where most funds are managed especially in school setup.

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APPENDICES

Appendix I: Letter of introduction

GRACE NDINDA KIMUYU

PO BOX KISII.

TEL: 0722362374 Email: Gracekimuyu@yahoo.com

TO

I am a postgraduate student in the School of Business, University of Kabianga pursuing a Masters of Business Administration Degree Programme I am undertaking Research on relationship between accounting practices and management of funds among secondary Schools in Kisii county, Kenya.

You have been selected as one of the respondent. I therefore kindly request you to fill in the attached questionnaire; the information from the questionnaire is needed purely for academic research purposes and will therefore be treated with utmost confidentiality. In no way will your name or School appear in the final report. A copy of final report can be made available to you upon request.

If you require any further information, please do not hesitate to contact me on the above-mentioned contacts, or further still, University of Kabianga

University of Kabianga, Private Bag, P.O. BOX KABIANGA

Thank you in advance for cooperation.

Yours Faithfully,

Grace Ndinda Kimuyu, MBA STUDENT.

Appendix II: Questionnaire

SECTION ONE (GENERAL INFORMATION)

1. What position are you holding in the school?

a) Bursar b) Administrator c) BOM

2. For how long has the school been in existence?

a) Below 4 years

b) 4-8 years

c) 8-12 years

d) 12-16 years

e) Above 16 year

3. For how long have you been in this school?

a) Less than 5years

b) 5-10 years

c) 10-15 years

d) More than 15 years

4. State your gender; Male Female

5. Who are you answerable to?

a) Parents

b) BOM

c) Quality Assurance officers

d) Principal

e) All the above

6. Have you taken any training in financial management?

Yes

No

7. Indicate the main source of finances of your school (Tick as appropriate)

a) Government disbursement

b) Charity organizations

c) Fund raising

d) Parents contributions

e) Other income

Part B: Accounting Procedures

a. Budgetary practices

Budgetary practices	1	2	3	4	5
8. Stakeholders are involved in budget preparation hence enable to manage finance.					
9. The financial budget are vetted annually to ensure that the school are well funded with the year.					
10. Financial budgets estimates are adhered to with less deviation					
11. The school depend on accounting expert when developing					

budget for proper funds management					
12. The management conducts comparison of current spending with budget estimate which has enhance management of finance.					

13. What has school management done to ensure budgetary allocation estimate are managed _____

b. Bookkeeping Practices

Bookkeeping practices	1	2	3	4	5
14. The school have receipt and invoice books that assist in trailing the finance for transparency.					
15. Daily financial are recorded in respective journal voucher, cashbook and ledger book to ensure that all records are accountable.					
16. Schools fees are recorded and receipted to using cheques and bank slips to ensure fees are well recorded.					
17. All government disbursements accounts are well accounted for to ensure that funds are accounted for.					
18. Financial statement which includes statement of income, balance sheet and cash flow statement are used to ensure accountability and transparency.					

19. What does the school do to ensure proper financial records

c. Internal Control Practices

Internal Control Practices	1	2	3	4	5
20. The school have ensured effective physical control and security of school assets ensuring accountability of school property.					
21. Use of money and access to fund are approved by management for control of expenses.					
22. Adequate documentation and maintenance of school records are need at every process to control finance.					
23. Effective verifications and reconciliation are made in all accounts to ensure proper financial management.					
24. There exist frequent monitoring and evaluation of internal controls processes					

25. What are other internal control practices made by school to ensure management risk in funds management _____

d. Automation Accounting practices

Automation Accounting Practices	1	2	3	4	5
26. The school have embrace m-banking through new innovation of sending and receiving money					


27. Electronic accounting software are used to ensure accurate and efficient reporting the financial statement.					
28. Financial statement are automated and hence there is soft copy documentation as well as printed hard copy.					
29. Bookkeeping are computerized and stored in computer.					
30. The institution have encouraged innovation in funds management in order to reduce risk.					


31. Explain any other way automation accounting practices are utilized in funds management _____

d. Funds Management



Funds Management	1	2	3	4	5
32. Budgeting has enhance transparency in financial management in the school					
33. The school have better accounting to ensure accountability in funds management					
34. The management has ensured internal control of funds to ensure management of financial risk.					
35. Automation in accounting has reduced cost through management of funds					
36. Funds are well managed through accounting processes.					

Appendix III: Research permit


REPUBLIC OF KENYA
 National Commission for Science, Technology and Innovation
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NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
 Date of Issue: **25/September/2019**

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Relationship Between Accounting Practices and Management of Funds In Public Secondary Schools in Kisii County, Kenya

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Abstract: This study sought to determine the relationship between accounting practices and management of funds in public institutions in Kisii County. Specifically, the study sought to; determine the relationship between budgeting practices and management of funds, explore the relationship between book keeping practices and management of funds, explore the relationship between internal control practices and management of funds and examine the relationship between automation accounting and management of funds in public institutions in Kisii County. Target population was 352 schools where the school bursars and the Principals were the respondents. Stratified random sampling was used to select 187 respondents who were school bursars. The study used correlation research design and the primary source of data was self-administered questionnaire. Validity of the instrument was achieved by using experts in the field while reliability was determined using Cronbach Alpha coefficient test, which was 0.87. The data was analyzed using inferential and descriptive statistics with the aid of SPSS software and the results presented using the percentages, mean and mode to draw the conclusions. The finding indicated that budgeting significantly affected funds management ($P < 0.05$). Bookkeeping was found to have positive significant to funds management ($P < 0.05$), budgeting practices had a significance of ($P < 0.05$), Internal control practices had a significance of ($P < 0.05$) and accounting automation had a significance of ($P < 0.05$). The research concludes that budgeting, bookkeeping and internal control significantly affect the funds management. The study recommends that government through Ministry of Education to standardize the automation and use of computerized accounting systems.

Key words: Accounting Practices, Management of Funds, Public Secondary Schools, Kenya

I. INTRODUCTION

Investment in public institutions is one of the most effective mechanisms of mitigating poverty, improving monetary and advancing human rights. Thus, the governments across the globe recognize the significance of gaining knowledge on funds management in public sector (Omondi et al. 2016). In this situation, numerous nations have devolved the control of financial sources to mastering establishments to beautify their overall performance (Crouch et al, 2008). Proper management of price range in instructional establishments may be very vital to their operations (Munge, Kimani & Ngugi, 2016). However, around the arena the control of funds in most public institutions round the sector has been coupled with many challenges such as corruption, mismanagement and growing cost of maintenance (Crouch & Winker, 2008). Rosalind & Downs (2004) were of the view that it was almost impossible to find someone from the local community who understood the funding system and had an idea about the value received by the schools in Brazil, Poland and England.

The same authors indicated that in Brazil, Poland and England very few parents participated in school administration. Usually, there were one or two parents' representatives on the school board probably those were the only parents who were aware of the sum received by the schools and its uses. South African School Act (SASA) of 1996 created School Governing Bodies (SGBs) that include the principal, elected representatives of parents, teachers, non-teaching staff and students. Segment 21 of SASA commands the SGBs to be responsible for keeping up schools' property, buy of course books, instructive materials or gear and pay for administrations rendered to the school. Nombasa, (2004) revealed that most SGBs in SA lacked skills in drafting of budgets, writing financial and policy statements, control of finance and petty cash, initiative and innovation as well as accountability. The main reason was illiteracy and lack of training. Education is one of the important and meaningful social economic development and

reduction of poverty levels in most third world countries.

According to Nyakundi *et al* (2013), most African nations resolved to offer free, compulsory and universal primary education, increase enrollment to secondary schools by 30% of the children who successfully completes the basic primary education, raise transition to higher education by 20% and to improve quality as far as education in all educational institutions. To achieve, objective of education provision to their citizens, most of the developing increased their budgetary allocations on education and in some countries; the expenditure on education exceeds overall gross national product. Such has the tenancy of exerting a lot of pressure on other segments of the economy thus it is vital to monitor and control expences on learning matters (Nyakundi et al., 2013).

In Kenya, the responsibility of control and management of funds allocated to public secondary schools from parents as well as guardians and sponsors, central and the county governments is bestowed to the Boards of Managements (BOMs). The Kenya Basic Education Act (2013) allows the Board of Management to establish audit committees to facilitate internal control and auditing in public secondary schools (Kenya Gazette Supplement, 2013). The audit committee generates and submits audit reports to the board of management, which in turn comes up with an annual audit report, which is then director of basic education. The Education Act also stipulates that the audit department of the Ministry of Education should audit all the annual accounts of educational institutions, which are funded through public funds. Additionally, approved accounting and auditing firms are also allowed to audit public education institutions but this requires written permissions and approval from the cabinet secretary in charge of education (Kenya Gazette Supplement, 2013).

The Kenyan education system is troubled by financial risk management and the greatest risky areas being resource allocation and utilization which have created a fertile ground for funds embezzlement and corruption. Thus, proper accounting is required in public schools to manage and utilize the huge amount of funds allocated to those institutions. With the ministry of education channeling millions of shillings through different schemes such as the free secondary school programme, bursary schemes and infrastructural funding programmes, dissatisfaction by parent and students remains a great concern due lack of accountability and incompetence in public schools (Nyakundi et al., 2013). For instance, creditors and debtors in public secondary schools have been on the increase with a good example in the rear 2008 the creditors and debtors in public secondary schools had accumulated to Ksh. 5.5 billion and 15.5 billion respectively (Republic of Kenya, 2008).

Accounting practice is defined as a process of collecting, transforming, reporting and disseminating reports to various users. Accounting practice entails presenting accounting information to the management of the organization and it's used for efficient administration of resources and supports appropriate decision-making (Nupakorn & Phapruek, 2010). Accounting practices play the main part in determining the framework of accounting information and financial reporting that both internal and external users utilize to evaluate financial performance of the organization. Therefore, accounting practices are concerned with records maintenance of an educational institution in which the financial transactions are summarized (Sigilai & Bett, 2013). Some of the accounting practices include budgeting, book keeping, internal control activities and computerized accounting. Budgeting is a foundation of most organization's control process mostly used by the management and it is a key tool in accounting that institutions utilize in implementation of organizational strategies (Ostergren & Stensaker, 2011).

It is a very crucial for sound financial reporting especially for public schools. In public secondary schools, the board of management approves a school budget and it shows the income and expenditure plans based on an institutions development plans for a particular year. A school budget directs and controls the institutions income and expenditure plan while satisfying the schools objectives (Omor, 2005). Proper budgeting is a useful connection between planning and evaluation. Through proper budgeting, educational institutions can achieve their intended goals effectively (Kiriza, Walela & Kukubo, 2015). Bookkeeping entails entering accounting transactions in relevant books of accounts. One of the routine finance functions that can be delegated to junior staff in an organization is record keeping and safeguarding property and documents of an organization (Otieno & Nyangechi, 2013). The intent of financial statements is to provide information on the state of affairs financially, financial position effectiveness and changes which are useful in economic decision-making (Horvat, 2007).

Financial records, for example items like cash receipt books, general ledgers, petty cash book, purchases day book, cheque payments book, general journal, nominal and so on must be maintained and kept in a fundamental systems of accounting (Maseko & Manyani, 2011). Public secondary schools in Kenya normally maintain receipt books, Cashbooks, payment vouchers, journals; school levies registers, financial ledgers and bank monthly statements (Omor, 2005). Internal controls are mechanisms through which an entity provides useful information, which is important for decision-making. Strong internal controls, which include frequent monitoring by school committees, will have a bearing on well-managed funds (Otieno & Nyangechi, 2013). Internal control comprises of checking, autonomous assessment as well as efficient reporting to the organization to make sure that all the actions of the organization are performed according with current plans, directions as well as limits (Bayyoud & Sayyad, 2015).

Internal controls make it possible for the head teachers to make an effective and speedy check on the rate of expenditure and proper financial management. Internal controls provide independent evaluation of the schools financial control and management

systems (Horvat, 2007). Computerized accounting-system is considered to be a computer-based structure, which joins accounting concepts and principles plus the model of information system to record, practice, examine and yield monetary info (Gelinas, Sutton & Hunton, 2005). If an organization fails to use computers and computer software it means that accounting information may not be accurate and the organization may experience delays in financial reporting and lack of permanent accounting records and information. Computerization of departments increases coordination and cohesiveness therefore leading to attainment of the organization's goals. Use of computers especially in the bookkeeping, generation of receipts and payment vouchers and stores control is key to management efficiency in public schools (Otieno & Nyangechi, 2013).

The Education Act also stipulates that the audit department of the Ministry of Education should audit all the annual accounts of educational institutions, which are funded through public funds. Additionally, approved accounting and auditing firms are also allowed to audit public education institutions but this requires written permissions and approval from the cabinet secretary in charge of education (Kenya Gazette Supplement, 2013). The Koech report (1999) also noted a backlog in the audit of Education Institutions as a major factor contributing to mismanagement of funds. "It is unfortunate that a number of school heads do not submit books of accounts in time, to the district school's auditors for audit. This has led to backlog of unaudited reports dating as far back as 1995/96. This leads to a situation where the issues raised are in most cases overtaken by events such as transfers or retirements Prof. Mutahi, Permanent Secretary, MOEST (2003). Financial risk management and the greatest risky Centre being resource allocation and utilization that have created a fertile ground for funds embezzlement and corruption trouble the Kenyan education system. Consequently, proper accounting and auditing practices are required in public schools to monitor the use of the enormous amount of funds allocated to these institutions. With the ministry of education channeling millions of shillings through different schemes such as the free secondary school programme, bursary schemes and infrastructural funding programmes, dissatisfaction by parent and students remains a great concern due to lack of accountability and incompetence in public schools (Nyakundi et al., 2013). For instance, creditors and debtors in public secondary schools have been on the increase with a good example in the year 2008 the creditors and debtors in public secondary schools had accumulated to Ksh. 5.5 billion and 15.5 billion respectively (Republic of Kenya, 2008).

The present secondary learning platform is directed towards meeting the requirements of both the learners that terminate their learning after secondary school as well as the ones to proceed for higher learning. The governments and other associations finance the public secondary schools. There has been incredible upsurge in the number of secondary and in students' admission in reaction to the promptly up surging number of Secondary school graduate looking for an entry to the secondary level. There are sixty Public Secondary Schools in Kisii County. Sound financial management is important in schools though due to wide scope and diversity in non-profit organizations and their activities, proper financial management may turn out to be more complex than in profit making organizations (Omoro, 2005). Kisii County is situated in western Kenya, Lake Region. It consists of nine Sub-Counties namely; Gucha South, Sameta, Masaba South, Kisii Central, Gucha, Kisii South, Nyamache, Marani and Kenyena. Kisii County has 60 public secondary schools. The schools are distributed among the nine sub counties as follows; Gucha South 10, Sameta 3, Masaba South 7, Kisii Central 9, Gucha 3, Kisii South 4, Nyamache 3, Marani 4.

Proper management of finances in educational institutions is very imperative to their operations. However, around the world the management of funds in most public educational institutions has been coupled by a lot of challenges among them are corruption, mismanagement, rising cost of education and unplanned expansion (Mobegi, Ondigi & Simatwa, 2012). In Kenya, the government has heavily invested in education and budgetary allocations to the Education Ministry ranges between 13.5% and 16.5% of the national budget with budgetary allocations to public secondary schools accounting for 23% of the Ministry's budget. However, concerns over fees arrears accuracy remains a great concern and questions on funds management in public secondary schools remains unanswered and there are serious financial challenges in most public secondary schools.

Otieno and Nyangechi (2013) studied the efficiency of internal control processes and administration effectiveness of free primary learning finance and found that the use of internal control procedures are effective on management efficiency of funds in schools. Mobegi, Ondigi and Simatwa (2012) discovered the features leading to monetary misappropriation and mismanagement in secondary schools and found that the key factors which include corrupt promotion modes, lack monetary training and feeble board of management, weak internal control apparatuses, poor auditing procedures, unqualified account clerk, community and sponsors interventions. However, most studies concentrated more on financial management practices in educational institutions and not accounting practices. This has created a gap in literature, which this study intends to seal by examining the relationship between accounting practices and management of public funds among Public Secondary in Kisii County. The general objective of the study was to examine the relationship between budgeting processes and management of funds among public secondary schools in Kisii County.

II. RESEARCH METHODOLOGY

A research design is a set of choices that makes up the master plan stipulating the methods and processes for gathering and examining the needed information (Mathoko, 2007). The type of research design used in conducting this research was correlation research design. Correlation survey research design is a scientific method, which encompasses observing and defining the conduct of a subject without any manipulation. It was deemed appropriate because it involved collecting data in order to address the questions on the existing position of the matters of the research (Kothari, 2004). The design also allowed the researcher to generate both numerical and descriptive data information that was utilized in estimating connections among factors and it empowered the researcher to generalize its findings. The study used quantitative methodologies in the gathering of information. The methodology empowers information to be methodically gathered and dissected to give a graphic record of the factors under investigation. The study was conducted in public secondary schools in Kisii County situated in part of Nyanza, Lake Region. It consists of nine Sub-Counties namely; Gucha South, Sameta, Masaba South, Kisii Central, Gucha, Kisii South, Nyamache, Marani and Kenyeny.

A population is the whole measurements gathering of people or things that make up the total of all probable measurements in the research scope. The target population for this study was made up of the 365 public secondary schools bursars in Kisii County. A representative's sample from the accessible population was selected. The sample was selected using stratified sample random sampling technique whereby the schools were categorized to four strata: National, Extra County, County and Sub-County schools. A proportional sample was selected from each category in order to determine the sample size. Yamane (1967) formula was used to compute the sample size which gave a sample of 190 and was distributed among the categories of schools as shown in Table 3.1.

$$n = \frac{N}{1 + N(e)^2}$$

Where n=sample size, N= Target Population size, e=margin error (0.05)

$$n = \frac{365}{1 + 365(0.05)^2}$$

$$= 190$$

Table 1: Sample Frame

Category	No. of Schools	Sample size
National school	2	1
Extra-County school	22	12
County school	43	22
Sub-County school	298	155
Total	365	190

Source: Research Data (2020)

Structured questionnaire was used as the main source of data collections. The questionnaire had both open ended and closed ended questions which was structured based on the research objectives. The validity of the instrument was ensured by subjecting to the scrutiny of the experts from the subject area. Reliability was ascertained by conducting a pilot study in Nyamira County with different group of respondents who did not contribute in the actual study. Nyamira County was preferred for piloting because it had similar characteristics with the targeted county. Reliability was tested using Cronbach Alpha were a coefficient of 0.87 was actualized thus the research instrument was deemed acceptable (Cohen, Manion and Morrison, 2005).

A multiple linear regression was used to establish the link between the degree in which accounting practices relate with management of funds among public secondary schools in Kisii County.

The regression model adopted was;

$$(Y) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where: Y= management of public funds, β_0 = Constant, β_1 = Beta Coefficient of X_1 , X_1 = Budget practices, β_2 = Beta Coefficient of X_2 , X_2 = Book keeping practices, β_3 = Beta Coefficient of X_3 , X_3 = Internal Control, β_4 = Beta Coefficient of X_4 , X_4 = Automation Accounting, ϵ = Error term

The collected data was edited for accuracy, reliability and dependability as well as extensiveness and then evaluated using inferential and descriptive statistics with the help of the Statistical Package for Social Studies. Descriptive statistics include measures of central tendency like the mean, percentages and the standard deviation while inferential statistics was used to draw conclusions. The study sought for the consent and authorization for respondents through the use of an introductory letter, secrecy was guaranteed all through the information gathering process since the names of the respondents won't be demonstrated in the exploration instruments. Permission was sought from university and NACOSTI before data collection.

III. FINDINGS AND DISCUSSIONS

This study attained a response rate of 93.7% where 178 out of 190. According to Mugenda and Mugenda (2003) above 80% response rate is an excellent data that can be used for further interpretation. This was further supported by Babbie (2002) argument that the response rate of 60% is good, 70% is very good and 50% is adequate for analysis, therefore the response rate of 93.7% was very good.

Regression model was which involved correlation coefficient, coefficient of determination and regression model were used to explain the relationship between accounting processes and funds' management. The result was further interpreted to obtain viable information as indicated in the tables.

Table 2 Regression Analysis

R	R Square	Adjusted R Square	Std. Error Change Statistics					Durbin-Watson	
			Estimate	R Square Change	F Change	df1	df2		Sig. Change
.939 ^a	.882	.879	.34286	.882	322.118	4	173	.000	1.651

Source: Research Data (2020)

The result from Table 2 indicates that there was strong correlation between accounting process and funds' management representing by correlation of 0.939 (R =0.939). It was found that the coefficient of determination which was given by R Square = 0.882 indicated that 88.2% of the variation of fund's management was due to accounting processes, while other factors was explained the remaining 21.8%. This reveals that the independent variables adopted by the study explained 88.2% of accounting principles while the 21.8% is explained by other variables not adopted by the study.

Table 3 ANOVA for Accounting Practices and Funds Management

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	151.461	4	37.865	322.118	.000 ^b
	Residual	20.336	173	0.118		
	Total	171.798	177			

a. Dependent Variable: Funds Management.

b. Predictors: (Constant), Automation in accounting, Budgeting, Bookkeeping, Internal Control

Source: Research Data (2020)

The regression model was appropriate for testing the relationship which indicated that accounting process was significantly related to the funds' management (P<0.05). The mean square of the residuals was very small (0.118) compared to mean square of the regression (37.865). Further, the F-statistics of the regression (F_(4, 173) = 322.118) which was statistically significant (p<0.01) indicates that the model significantly predict the change of the dependent variable as a result of the four predictor variables included in the model. This implies that the coefficients of the model are not equal to zero, suggesting that the model fits the data significantly. Hence, there is significant relationship between accounting process practices and fund's management.

These findings concurs with those of Langat (2008), who noted that the administration monetary guidelines had restricted the intensity of the school heads to subjectively decide and control the financing of physical offices. The examination additionally discovered that administration guidelines had all around controlled staff preparing in the schools to coordinate their necessities and assets and encouraged the handling and update of data in the budget reports as prove by improved administration, straightforwardness and responsibility in the schools' intermittent uses (Omoro, 2005).

The findings that school have adopted better accounting practices so as to ensure accountability in funds management by use of internal control of funds thus reducing on financial risk through accounting processes and automation concurs with Njeru (2004) who established that in cash management practices head teachers need to embrace a systematic approach to financial management.

Table 3 Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error				Tolerance	VIF
(Constant)	.468	.147		3.188	.002		
Budgeting Practices	.301	.041	.312	7.346	.000	.379	2.637
Bookkeeping Practices	.122	.052	.086	2.336	.021	.511	1.958
Internal Control Practices	.684	.044	.682	15.723	.000	.364	2.749
Automation Accounting Practices	.071	.044	.068	1.620	.107	.393	2.544

a. Dependent Variable: Funds Management.

Source: Research Data (2020)

$$Y = 0.468 + 0.301X_1 + 0.122X_2 + 0.684X_3 + 0.071X_4$$

Where: Y= management of public funds

β_0 = Constant

X1 = Budget practices

X2 = Book keeping practices

X3 = Internal Control practices

X4 = Automation Accounting practices

This results indicates that one-unit increase in budget practices would results to 0.301 increase in funds’ management, a unit increase in bookkeeping practice would result into 0.122-unit increase in funds’ management, a unit increase in internal control practices leads to 0.684 increase in funds’ management and finally a unit increase in automation accounting practices lead to 0.071 increase in funds’ management. Hence internal control practices were followed by budgeting practice then book keeping were significant and assist in management of funds. While automation accounting practices were not significant on fund’s management.

The result showed that budgeting practices was significant since it had a significance of 0.000, (P<0.05), bookkeeping practices has a significance of 0.021 (P<0.05) and internal control practices had a significance of 0.000 (P<0.05), all the three significantly affected the funds’ management since the P<0.05). The results indicated automation accounting practices did not significantly affect funds management since it had a significance value of 0.107 which is higher than (P>0.05). The success to good accounting practices relies on well trained as well extremely inspired bursars who will relieve head teachers as well as other members of the management team from a broader of school administration jobs. Though the head teacher is the principal accounting officer in the school, the officers to whom he has delegated the responsibility of bookkeeping should be competent, (Otieno & Nyangechi, 2013). This findings concurs with those of Dallu (2016) who noted that applicable data must be recognized, caught and imparted in a shape and time span that enables workers to complete their undertakings in a proficient and viable way.

IV. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The result on budget practices showed high participation of stakeholders in budget preparation (mean of 3.618). It was found that financial budget was vetted annually in majority of the school for financial transparency (mean of 3.848). Financial budgets estimates were adhered to some extent with less deviation from the actual amounts (mean of 3.090). The finding revealed that most school did not depend on accounting experts in budget estimate but relied on the existing bursar for funds management (mean of 2.814). It was then revealed that management conducted comparison of current spending’s and budget estimates to enhance management in finance (mean of 3.624). The budgeting practices was found to positive significant to the funds management

($r=0.021$, $P<0.05$). Budgeting was the second factor of accounting process that affected funds management after internal control practices.

Bookkeeping was found to be crucial as accounting practices since proper receipts and invoicing would assist in paper trailing for purpose of transparency (mean of 3.899). The finding indicated that school prepared journal vouchers, cashbook and ledger book for accountability (mean of 4.742). The results further indicated that school are paid using cheques and banks slip to ensure that fees are well recorded and managed (mean of 3.208). It was further revealed that government disbursements accounts were well maintained and accounted for accountability purposes (mean of 4.506). Hence financial statement was produced for more accountability purpose as well as transparency (mean of 4.624). It was found that bookkeeping practices was positively related to funds' management ($r=0.000$, $P<0.05$). It was the third factor that affected funds management after internal control and budgeting practices.

Internal control practices were found to be crucial for management of funds in school. This assisted in management of school asset where all asset must be accounted and recorded for (mean of 4.640). The control also involved management of use of money as well as access to funds (mean of 4.253). It was found that adequate documentation and maintenance of school records are used in controlling finance (mean of 4.365). It was found that verification and reconciliation of accounts assisted in financial management (mean of 4.140). It was found that monitoring was not done frequently (mean of 2.449). Hence internal control significantly and positively affected funds management ($r=0.000$, $P<0.05$). Internal control practice was found to be leading in accounting process when management funds.

Automation in accounting is first growing concept that enable accounting to be computerized. The findings indicated that the schools embraced m-banking concept in sending and receiving money (mean of 4.197). There are school who are currently utilizing the electronic accounting software that provide accurate and efficient reporting of financial statement (mean of 3.905). According to further findings on financial statement automation is done in storage documentation in soft copy (mean of 4.045). Hence bookkeeping are becoming computerized and storage are done in computer (mean of 4.039). The institution has encouraged innovation and funds management so as to reduce risk (mean of 4.006). Hence automation has no significant relationship with management of funds since it had a significance of ($r=0.107$, $P<0.05$).

It concluded its important stakeholders be involved in budget preparation enabled the management. The financial budget must undergo vetting annually by the stakeholders. It was also found that school rarely dependent on accounting experts but checked whether the estimates are attained through employed bursars. The research revealed that budgeting as a practice was significant on ensuring that financed were managed well. It enables the school to reduce over spending and hence manage the financial performance of the school. The research concluded on bookkeeping to be significant in management of funds since it allows the school to keep trail of all transaction that are conducted. School keep records through the use of receipt books, journal vouchers, ledger books which were used to produce financial statement which includes cash flow, balance sheet and income statement. The research also found that cheques and bank slip were preferred for accountability and managing funds. All government disbursements were well accounted and hence bookkeeping is a crucial aspect of accounting. Hence bookkeeping had significant relationship with funds management.

Internal control practices were found to assist a lot in management of funds. It the highest contributor in management of funds'. The research concluded that most school ensured all asset were well recorded and management to ensure accountability. There existed control in use and access to money as well as documentation of all transaction to ensure financial control. The school also provided verification and reconciliation of all accounting for proper financial management. Also there exist few monitoring and evaluation in internal controls which are necessary to be addressed. Hence internal control has significant positive relation to funds' management. The study concluded that automation through m-banking and electronic accounting software are some of emerging issues. The software's are found to assist in providing accurate results as well as encourage storage of bookkeeping. The institution has encouraged use of innovation in funds management as well as use of technology in receiving and sending money. Despite the growth in innovation and use of automation this has no significantly influenced the management of funds.

The research recommends to the school to conduct training and employee qualified bursars and ensure that accounts are well budgeted. The targeted budget should be with minimal deviation from the exact value. The research recommends to school management to involve experts in trainings to reduce redundancy in funds management. Bookkeeping assist a lot in paper trail, accountability and transparency. It is important for school to emphasis on use of cheques and banks slips to management finance. It also crucial for daily records to be prepared for management of funds. There is a need for daily preparation of necessary recording of information to ensure that all that financial statements are well prepared. The study recommends in internal control that there is need to increase internal control practices since there was laxity in monitoring and evaluation of internal control process. These elapses have negative effect on the management of funds. Since internal control practices assisted to a large extent the funds' management.

The study also recommends to management to further investigate on innovation especially the use of accounting systems. This is because there are lack of standard software as well as poor legislation on the use of electronic system of accounting. The ministry of education should provide standardized accounting system that would ease the use of accounting systems.

V. SUGGESTIONS FOR FURTHER RESEARCH

There is need to investigate the use of accounting system in funds' management. This is to investigate whether they significantly contribute to accuracy, transparency and accountability in financial management. The study also recommends on the need to further investigate on the internal control mechanism in funds management. This is to clarify where most funds are managed especially in school setup.

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