The purpose of the study was to investigate the various school-based alternative sources of funds that could help to generate additional income for public secondary schools in Nyandarua District. The study explored whether schools in Nyandarua District face financial constraints that warrant the need to seek for alternative sources of income; identified the school-based alternative sources of income available for schools, investigated the extent to which such alternative sources have been utilized; identified the problems faced in the implementation of income generating activities and the possible solutions to the problems.

The population for the study comprised of all the 87 public secondary schools in Nyandarua District. From this population a sample of 20 schools was randomly selected, from Which the 20 head teachers were taken as the study sample.

The study, which was based on the Cost Effectiveness Model, employed a descriptive survey research design. The study employed a questionnaire and an observation schedule as instruments for data collection. Data collected was coded and analysed using both preliminary and statistical analysis procedures, and reported using frequency distributions, means, and percentages.

It was established that the schools faced major financial difficulties, and that there are many school-based potential alternative sources of income available to the schools. Majority of the schools were found not to have adequately utilized the resources available to generate extra income. Results of the study are discussed and suggestions offered on how schools can be empowered to gain financial freedom.