In many countries of the world there have been major changes in the financial operations of public universities. In KU, the changes have occurred within the context of diminishing public resources and this has translated in most instances into financial constraints. The situation has led to pressure from government and from within the university itself in some cases for a diversification in the sources of financial support for the university. It is clear that KU can no longer rely solely on government funding if it is to remain financially healthy. New procedures and criteria for the allocation of resources and the evaluation of the uses made of increasingly scarce resources are essential. In some institutions Financial management has become much more akin to business management, involving decisions on financing sources (IOA), savings and investments and budgeting and management of short-term assets. This study therefore intended to evaluate these financial management practices in KU. The research used secondary data to evaluate these financial management practices. The results were analysed using tables and charts. This study found out that the major challenges facing KU is the sourcing of funds and the adoption of proper budgeting systems. From the study it was noted that KU had highly benefited a lot from alternative financing by paying salaries on time. Budgeting system needed to be addressed as it's facing a lot of problems.