

**CONTRIBUTION OF INCOME GENERATING ACTIVITIES TO  
SECONDARY SCHOOLS' BUDGETS IN KIRINYAGA COUNTY,  
KENYA**

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**E55/CE/23033/2010**

**A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF  
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STUDIES, SCHOOL OF EDUCATION, IN PARTIAL FULFILMENT  
FOR THE AWARD OF THE DEGREE OF MASTER OF EDUCATION  
(ECONOMICS OF EDUCATION) OF KENYATTA UNIVERSITY**

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## DECLARATION

I declare that this research project is my original work and has not been presented in any other university or institution for consideration or any certification. This research proposal has been complimented by referenced sources duly acknowledged. Where text, data (including spoken words), graphics pictures or tables have been borrowed from other sources including the internet, these are specifically accredited and references cited using current APA system and in accordance with anti plagiarism regulations.



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Date

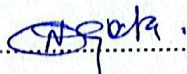
This research project has been submitted with our approval as university supervisors.



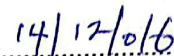
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## ABSTRACT

Public expenditure on education is a matter of great concern given that it weighs very heavily on the exchequer. The need for institutions to generate their own income has been motivated by the 8-4-4 system of education which is heavily vocationalized. Government fees-guidelines which principals have to adhere to and the cost sharing system still leave a financial gap in the school. To find a way out of this fiscal distress, the government has advised the schools managers to mobilize available institutional resources such as land, physical facilities and equipment to generate income to provide the necessary learning resources to enable the schools to run efficiently. The purpose of this study was to establish the contribution of IGAs to secondary school budgets in Kirinyaga East Sub-County. The main objective of the study is to assess how much income schools generate from Income Generating Activities and to determine how much they supplement the government subsidies. The study was significant in that it will lead to the improvement of strategies of financing education by identifying alternative sources of financing basic education in Kenya to cater for the financial gaps that need additional funding in schools. The study was based on the Theory of the firm also known as the model of profit maximization by Wilkinson, 1994. It employed a descriptive survey design. The target population consisted 26 heads of schools and the BOM chairpersons making a total of 52 respondents. Simple Random Technique was applied and in this case, the researcher sampled all the 26 schools in Kirinyaga East Sub-County. Data collection was done using questionnaires, interview schedules and observation checklists which were organized according to pertinent aspects of the study, analyzed and reported using descriptive statistics such as frequencies, charts, graphs and percentages. The study findings were that some schools engaged in IGAs including agricultural based IGAs that included dairy farming and crop production; service based IGAs including hire of classrooms and halls and commercial based IGAs for instance the canteen. The main challenges of IGAs included lack of sufficient funding, land limitation and poor record keeping. The study concluded that the contribution of IGAs can be a useful source of additional income as seen in the study whereby schools were able to purchase teaching and learning materials including computers and equipping the laboratories and laboratories. The study recommended that the government should formulate a national framework for policy planning and administration of Income Generating Activities, initiate capacity building programs for school managers to equip them with entrepreneurial skills and infuse entrepreneurship in order to manage Income Generating Activities effectively.