

PARENT FINANCING AND FINANCIAL SUSTAINABILITY OF EDUCATION IN PUBLIC BOARDING SECONDARY SCHOOLS IN NAIROBI CITY COUNTY, KENYA

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ABSTRACT

Secondary education in Kenya has been experiencing financial crisis in the recent past calling for government intervention to mitigate the negative trends that inhibit financial sustainability of secondary education. Specifically, there are myriads of late and insufficient financial supports from government, sponsors, corporate, and individual funding, thus impeding financial sustainability of secondary education. Clearly, financial sustainability of education has faced unprecedented challenges thus calling for a joint concerted effort by various financiers to ensure sustainable education. The objective of the research was to determine the effect of parents' financing and financial sustainability of education amongst public secondary schools in Nairobi City County. This research was based on financial sustainability theory. This research adopted the positivism philosophy alongside explanatory research design. Target population was 39 public boarding secondary schools and their respective 39 principals. This research utilized stratified sampling technique to sample schools

whilst all principals were selected using census method. The research used structured questionnaire and relevant ethical approval letters were obtained for data gathering exercise. Data was analyzed via descriptive statistics and inferential statistics using Statistical Packages for Social Sciences version 25.0. The research found that parents' financing had a positive significant connection with financial sustainability of education. The research concludes that parents' low-income status, delay in fee payment coupled with high percentage cost of education left for parents had negative effect on financial sustainability of education among public boarding secondary schools. The study recommends that school administrators should encourage economically endowed parents to make contributions to school-sponsored bursaries and scholarships for academically gifted but economically underprivileged learners.

Key words: Financial Sustainability, Parents Funding, Public Boarding Secondary Schools.

INTRODUCTION

Background of the Study

Public education funding sources in Kenya include public funds, grants from business investors, individuals, charity and religious groups, and bilateral loans. As per the MoE, huge portion of public education expenditure is from recurring expenditure leaving very little for development (Othoo, Ole, & Gogo, 2019). The increase in inflation rates coupled with poor economic growth has resulted to an increase in education costs. The most affected, especially during the COVID-19 pandemic is the households and donors who have always struggled to meet cost of public education. Further, bodies such as NGOs that has over the time funded

public education (usually done at parent-NGO agreement level), particularly for the vulnerable have also experienced heavy finance burden in meeting the cost of public education.

The Kenyan government usually provide capitation for each boarding school student. To meet boarding costs, every parent is entitled to pay a certain amount of boarding fees applicable to various categories of public boarding schools. Table 1 indicates government financing of secondary education over the years (2019-2024).

Table 1: Government Financing of Secondary Education over the Years

Years	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Amount in KSHS Billions	59,421,865,698	59,421,865,698	67,442,050,616	63,160,788,241	63,958,212,645

Source: BPS-Budget policy statement (2024)

In Table 1, it is clear that there has been a steady increase in the financing of secondary education in Kenya from 2019-2022 financial years. However, a decline in financing of secondary by the government for secondary schools from 2022. Meanwhile, there was a slight increase in the present financial year to 63,958,212,645 (2023-2024) from 63,160,788,241 Kshs (2022-2023).

Notably, Kenya’s general performance of public and private boarding schools is partly on finances availability. According to Munyasia and Sika (2020), unavailability of financing options could affect the purchasing of learning materials, building facilities, and adequate payment of teachers and this could negatively impact the performance outcome. For instance, it is been observed that, public schools within the county perform better than private schools because government caters for fees such as, teaching, learning materials and exams, medical and insurance, activity fees among others (Munyasia, 2021). In the contrary, among private schools, parents are the chief financiers and this to some extent strains their financial ability thus negatively affecting the smooth running of school programs and consequently the overall academic performance. Therefore, funding has great impact on performance of private versus public boarding secondary within Nairobi.

Based on available government reports, it is clear that there has been an increase in secondary education financing from 2019-2024 financial years. However, a decline in financing by government from 2022 to 2024 has been witnessed in the previous years. Meanwhile, there was a slight increase in the present financial year to 63,958,212,645 (2023-2024) from 63,160,788,241 Kshs (2022-2023). However, the overall budgetary allocation for education including secondary level has witnessed a concerning decrease or a significant in financial budgetary

allocations from Kshs. 88.22 billion in FY 2020/2021 to Kshs. 155.36 billion in FY 223/2024 , before reducing to Kshs. 127.3 billion in FY 2024/2025 (Education Sector Report, 2025/2026). It is clear that with such reduction in funding, Nairobi City County boarding schools will largely remain unsustainable as school fee burden are left to parents who are

already burdened due to difficult economic situation in the country. It is in this vein that this study focused on financing options and sustainable education within Nairobi City County.

Statement of the Problem

Secondary education in Kenya has been experiencing financial crisis in the recent past calling for government intervention to mitigate the negative trends that inhibit sustainable secondary education (Ooko, 2018). For instance, there are myriads of late delivery and inadequate financial support from the government, sponsors, parents and this impedes sustainable secondary education. In addition, cases of delayed donor and CDF (facing court battles) disbursement of funds have also been reported and this has made some schools to struggle to sustain operation and administrative costs. Again, only 10% of annual CDF allocation goes to bursary education and the remaining is allocated to other projects. Further, the prevalence of parents residing below the poverty level implies that financing their children's education could be challenging hence making secondary education unsustainable for many (Ndei, Kiumi, & Kaboro, 2018). Additionally, the government has also reduced fee sponsorship from Kshs 22, 244 to Kshs 17,000 in March 2024 and this has had ripple effect on the sustainability of education given the ever-rising number of student enrolment (Kenya Budget Policy Statement, 2024). Furthermore, education funding allocation reduced from Kshs. 155.36 billion in FY 223/2024 to Kshs. 127.3 billion in FY 2024/2025 (Education Sector Report, 2025/2026). Evidently, funding education is shrinking and this has ripple effect on sustainability of secondary education.

Again, the lack of timely and late fee payment impedes continuous learning/teaching and this could disrupt school operations and, consequently the secondary education will remain unsustainable. Munene (2019) says that the financial struggles facing secondary education in Kenya including Nairobi City County has negatively impacted smooth learning thereby raising concern about its long-term sustainability. If left unchecked, such constraints could render secondary education unsustainable in Nairobi City County thus negatively impacting the quality of future human capital.

A study by Alshubiri (2021) was on financial sustainability for higher education centers among OECD nations. However, it was done in other countries but not among Nairobi County's public boarding secondary schools and did not use explanatory research methods hence a contextual and methodological research gap. Odiyo et al. (2024) study was on funds disbursement effect on Alego Sub-County public secondary schools' financial sustainability. However, the study failed to use parents' financing as independent variable, was done in a different sub-county hence a conceptual, knowledge, and methodological research gaps. This study thus investigated parents' financing and financial sustainability of education among public boarding secondary schools in Nairobi City County, Kenya.

Objectives of Study

The research assessed parents' financing and financial sustainability of education in public secondary schools in Nairobi City County, Kenya

THEORETICAL REVIEW

Financial Sustainability Theory

The financial sustainability model, first presented by Jackson and McConnell in 1980, is grounded on traditional microeconomic theory. The theory assumes that financial sustainability can be represented using the available funds and an expenditure strategy. According to the approach, an organisation can only stay financially sustainable if it minimizes financial losses and has multiple funding sources in order to maintain smooth operations.

In support of the theory, Massy (2004) argues that the foundation of the financial sustainability model is the classical microeconomic theory, which serves as a basis for evaluating the sustainability of an educational programme or institution. This approach is primarily appropriate in academic settings, such as public learning institutions, where sustainability is a primary issue in order to maintain uninterrupted educational activities as supported by research done by Ferns et al. (2007) using RBV.

In certain circumstances where the opportunity and capital link are viewed from a different perspective, funds used for education may be viewed as an investment in the future. Economist Amartya (2012) asserts that by generating possibilities for the present, one can generate alternatives for the future, which will result in additional advancement. This theory is essential for figuring out secondary schools' financial sustainability in Nairobi City County since it assesses financial ability in terms of education sustainability for continuous learning. Consequently, the theory has been used to ascertain the dependent variable's devotion to the financing of sustainable education.

The theory is not devoid of criticisms. For example, Read (2023) opines that the theory's weakness is driven by the fact that it argues for availability of funds from various sources. It thus ignores a major problem influencing financial sustainability which is the efficient use of funds by the custodians. Consequently, it majorly focuses on sources of funding.

Empirical Review

Rowe and Perry (2020) focused on private funding's inequalities of Australia's public schools with a focus on parental financial contributions and socioeconomic status (SES). The research project investigated compulsory parent fees and how these costs are influenced by SES of the school in order to take a critical look at parent involvement. Data was collected from secondary sources including various government education documents. Public schools are under pressure to raise money because they are located in a competitive market. The data reveals stark differences in parent-produced revenue amongst public schools, with high-SES schools receiving over four times the income created by parents compared to low-SES schools. Parental financial contributions were discovered to represent a type of structural inequality that favored children and schools with higher socioeconomic status, possibly acting as both a cause and an effect of socially segregated education. The research was conducted in an industrialized society, thus necessitating a study in an emerging economy like Kenya, specifically concentrating on Nairobi City County. The study only used cross tabulations which is a shallow

data analysis method. The current study used descriptive statistics together with an advanced analysis method (linear regression).

Anastasiou and Papagianni (2020) investigated principals, teachers and parents' perception on parental involvement (PI) on Secondary Education funding and management in Greece. Study conducted an inquiry among twelve secondary education schools, which served as the basis for the study. Divergent opinions regarding PI were shown by every group when it came to educational matters and financial decision-making. Instructors stated that they believe attitudes about parental funding deter parents from getting engaged in children's learning. Parents believed that professionalism of instructors and parents' lack of involvement in school matters, including purchasing learning tools together and participating in any school-related events due to socio-economic constraints, had a detrimental effect on parents' overall engagement in their school units. As a result, administrators ought to investigate potential for setting up get-togethers with educators and parents in order to lower obstacles and dispel misunderstandings, facilitate parent-school communication, and boost the benefits of PI in terms of student achievement and school operations. It did not particularly focus on the sustainability of education; essentially, it focused on parental involvement on school management and views of various stakeholders on the same, this led to a research gap. Additionally, the study only used a descriptive statistic as opposed to the current study that blended it with inferential statistics in the form of regression analysis.

In yet another study, Mwase et al. (2020) examined PI and children's education as conflict resolution in Kafue district in Zambia. In order to produce proof, 28 people were purposively involved in a qualitative study approach. One of the main finding was that parents' financial limitations due to economic constraints had effect on children's schooling. Parents' financial role was designed to prevent them from being timely involved in educational development. It found that, parents ought to give kids the necessities for an education, such as exercise books and other learning materials, as well as the necessary financial support to ensure that schools operate smoothly. Positive relation was found on PI and sustainable learning. However, the study utilized PI. The variable is too general hence using such findings to infer the local happenings within Nairobi City County is not realistic hence the call for a study that specifically focused on parental funding.

In Kenya, Chemweno (2018) investigated school-community support in FSE implementation in Trans-Nzoia East sub-county. Research project utilized descriptive design. Students, teachers, and principals made up the sample size. Whilst students were chosen through stratified random sample, administrators and class teachers were chosen through purposive sampling. Questionnaires, a schedule of interviews were utilized to collect data. According to the findings, it was unfair to distribute county bursaries to needy students because the Ward Committee did not keep track of who received them; thus, teachers must identify children who qualify for the bursary. Additionally, it was determined that secondary education activities lacked sufficient funding, which is why the community—in this case, parents—was called upon to assume the primary role of financiers. However, implementation of FSE was impeded by late fee payment. Data for the study was however collected from day secondary

schools thus a departure from the goal of the current research that focused on public boarding secondary schools.

RESEARCH METHODOLOGY

The study used a positivist ideology, which holds that since reality exists independently of humans, researchers may observe it objectively (Collis & Hussey, 2014). The role of the researcher therefore follows scientific approach in discovering specific nature of cause and effects' relationship (Saunders, Lewis, & Thornhill, 2009).

The study used an explanatory research design. It was used since it quantitatively generated study questions (Skinner & Dancis, 2026). Through explanatory, researchers benefited from the information gathered via questionnaire to provide descriptive investigation on area that has been researched by several authors.

The target population was 39 schools (unit of observation) research while 39 principals were the unit of analysis based on the selected public boarding secondary schools at the County Government of Nairobi City (Teachers Service Commission (TSC, 2024)

The research was limited to principals at the Nairobi City County. The research thus used stratified sampling technique (Bhardwaj, 2019). The technique was used because the schools were in two categories, the national and extra county levels.

This research used empirical model to examine the connection between independent variables (parents' financing), and financial sustainability of public boarding secondary education (dependent variable). The regression is shown in the model below.

$$Y = \alpha_0 + \beta_1 X_1 + \epsilon_i$$

Where:

Y - Financial sustainability of education

α_0 - The constant

X_1 - Parents' financing

β_1 - Coefficients

ϵ_i - The residual error term

This research used primary data collection method. Particularly, the study used structured questionnaire (Taherdoost, 2021; Dawadi, Shrestha, & Giri, 2021). The questionnaire was utilized to retrieve data from the principals. The questionnaire will be a Likert type scale of 1-5 (1= No extent, 2= Small extent, 3= Moderate extent, 4= Large extent and 5= Very large extent) with close ended questions structured to solicit responses.

Descriptive Findings

Influence of Parents' Financing on Financial Sustainability of Public Boarding Secondary Education

The results on the influence of parents' financing on financial sustainability of public boarding secondary education were analyzed and presented in Table 2.

Table 2 Influence of Parents' Financing on Financial Sustainability of Public Boarding Secondary Education

	No extent (%)	Small extent (%)	Moderate extent (%)	Large extent (%)	Very large extent (%)	Mean	Std. Dev
The parents' low-income status hampers seamless running of education affairs	0.0	0.0	0.0	40.0	60.0	4.60	0.497
The percentage cost of education left for parents is burdening thus inhibiting regular student attendance of learning	0.0	0.0	14.3	54.3	31.4	4.17	0.664
Delay in fee payment by parents hinder sustainability of education	0.0	0.0	0.0	51.4	48.6	4.49	0.507
Students from extremely poor background accumulates huge arrears thus affecting smooth running of school programs	0.0	0.0	0.0	51.4	48.6	4.49	0.507
Most parents/guardians perform their financial responsibility as indicated by the school	0.0	22.9	60.0	8.6	8.6	3.03	0.822

Source: Researcher (2025)

Table 2 demonstrates the parents demonstrate low-income status hampers seamless running of education affairs as supported by 60.0% (very large extent) and 40.0% (large extent) with a mean of 4.60. Again, it was revealed that the percentage cost of education left for parents is burdening thus inhibiting regular student attendance of learning as supported by 54.3% of the respondents who agreed to large extent while 31.4% agreed to very large extent (mean, 4.17). The research found that delay in fee payment by parents hinder sustainability of education as reported 51.4% of the respondents who agreed to large extent while 48.6% agreed to very large extent (mean, 4.49).

The study also found that students from extremely poor background accumulates huge arrears thus affecting smooth running of school programs as reported by 51.4% and 48.6% of the respondents who agreed to a large and very large extent, respectively (mean, 4.49). It was also revealed that 60.0% reported to a moderate extent that most parents/guardians perform their financial responsibility as asked by the school while 22.9% reported that parents perform responsibility to a small extent (mean, 3.03) against a large extent responses of 8.6.

Normality Test

The reliability of the data was evaluated in this research utilizing the Shapiro-Wilk test. According to the Shapiro-Wilk Test, a value larger than 0.05 often denotes a normal distribution. The results are summarized in Table 3.

Table 3: Normality

Variables	Sig.
Parent financing	0.406
Educations' financial sustainability	0.454

Source: Researcher (2025)

In Table 3, the results imply that data for all the variables was normally distributed since all have their sig-values >0.05.

Heteroscedasticity

The research utilized the Breusch–Pagan test to determine whether or not the data was heteroscedastic. Heteroscedasticity is more likely to exist anytime the constant variance requirement is violated. The research tested for heteroscedasticity using a p-value of 0.05. The results can be found in Table 4.

Table 4: Heteroscedasticity

Variables	Heteroscedasticity	
	t	Sig
Parents' financing	0.323	0.267
Educations' financial sustainability	0.476	0.431

Source: Researcher (2025)

As shown in Table 4, government financing, sponsorship, parents' financing, education policy, and Educations' financial sustainability all had significant scores of 0.267, and 0.431, respectively. Therefore, it can be reported that there no heteroscedasticity given that all sig. scores were >0.05.

Direct Relationship between Parent Financing and Financial Sustainability of Education

In this subsection, the study set to determine the overall regression results for the variables. The results are subsequently presented in the subsequent tables.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.645 ^a	0.415	0.338	2.22783

a. Predictor: (Constant), Parents financing

Source: Researcher (2025)

In Table 5, the study established that the R (coefficient of correlation) and R² (coefficient of determination) were 0.645^a and 0.415, respectively. Using R for interpretation, it is evident that parents financing accounted for 64.5% of the variance in the financial sustainability. The rest of the percentage (35.5%) can be accounted for by other variables that this study excluded.

Table 6: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	105.845	4	26.461	5.331	.002 ^b
	Residual	148.897	30	4.963		
	Total	254.743	34			

a. Dependent: Financial sustainability of education

b. Predictors: (Constant), Parents financing,

Source: Researcher (2025)

The ANOVA results in Table 6 indicates that the F-statistics of 5.331 was significant as depicted by a sig. value of $0.002 < 0.05$. From the results, it can be reported that the model was significantly reliable hence a good fit for this research.

Table 7: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	46.914	10.533		4.454	0.000
	Parents financing	0.798	0.329	0.347	2.428	0.021

a. Dependent: Financial sustainability of education

Source: Researcher (2025)

Table 7 show coefficients' results. The research determined that parents' financing was favorably and significantly connected with financial sustainability of education ($\beta = 0.798$; p-value = $0.021 < 0.05$). Therefore, it can be said that an increase in parents' financing by any unit could results into an increase in the financial sustainability of education by 79.8%. From the results it is clear that parents' financing was the greatest predicting factor of the financial sustainability of education among the public boarding secondary schools in Nairobi City County and this was followed by government financing and sponsorship in that order.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The study concludes that parents' low-income status, delay in fee payment coupled with high percentage cost of education left for parents had negative effect on financial sustainability of education among public boarding secondary schools in Nairobi City County. Further, both correlation and regression analyses concluded that parents financing had positive significant relations with financial sustainability of education.

Recommendations

The study recommends that school administrators should encourage parents to make contributions to school-sponsored bursaries and scholarships for academically gifted but economically underprivileged pupils. This guarantees that competent pupils won't be excluded from school because they can't afford it. Parents can be asked to sponsor scholarship or make donations to the institution's endowment fund to accomplish this. These kinds of projects can increase financial sustainability by offering a steady stream of income.

The study recommends that the secondary school subsidy can be broadened by the government to ensure that it represents a greater percentage of operating expenses, particularly for institutions with a high proportion of underprivileged students. The schools will have greater financial stability under a standardized and frequently reviewed funding arrangement.

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