



EXPERTISE GLOBAL IDinsight

Analysis of Flow and Integration of Financial and Non-Financial Data in the Education Sector in Kenya

FINAL REPORT

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ABBREVIATIONS AND ACRONYMS

BOM	Board of Management
CBC	Competency Based Curriculum
CBE	Curriculum Based Establishment
CEB	County Education Board
CEC	County Education Committee
CEMASTEIA	Centre for Mathematics, Science and Technology in Africa
DSA	Directorate of School Audits
ECDE	Early Childhood Development and Education
FPE	Free Primary Education
FSE	Free Secondary Education
IFMIS	Integrated Financial Management Information System
IGRTC	Intergovernmental Relations Technical Committee
IPDD	Integrated Personnel and Payroll Database
IPSAS	International Public Sector Accounting Standards
KCPE	Kenya Certificate of Primary Education
KCSE	Kenya Certificate of Secondary Education
KENIA	Kenya National Innovation Agency
KEMI	Kenya Education Management Institute
KICD	Kenya Institute of Curriculum Development
KIPPRA	Kenya Institute for Public Policy Research and Analysis
KISE	Kenya Institute of Special Education
KLRC	Kenya Law Reform Commission
KNEC	Kenya National Examinations Council
KNUT	Kenya National Union of Teachers
KUDHEIA	Kenya Union of Domestic, Hotels, Educational Institutions, Hospitals and Allied Workers UASU, & KUSU
KUPPET	Kenya Union of Post-Primary Education Teachers
MoE	Ministry of Education
MoICT	Ministry of Information, Communication & The Digital Economy
MTP IV	Fourth Medium Term Plan
NACONEK	National Council for Nomadic Education in Kenya
NACOSTI	National Commission for Science, Technology and Innovation
NEMIS	National Education Management Information System
NRF	National Research Fund

ABBREVIATIONS AND ACRONYMS

PBB	Program Based Budget
PFM	Public Finance Management
PFMA	Public Finance Management Act
PPDA	Public Procurement and Disposal of Assets Act
PSASB	Public Sector Accounting Standards Board
QUASO	Quality Assurance Officers
SAGAs	Semi-Autonomous Government Agencies
SCDE	Sub-County Director of Education
SEPU	School Equipment Production Unit
SWG	Sector Working Group
TMIS	Teachers Management Information System
TSC	Teachers Service Commission
TPAD	Teacher Performance Appraisal and Development
TVET	Technical and Vocational Education and Training
TVETA	Technical and Vocational Education and Training Authority
UDHR	Universal Declaration of Human Rights
UNESCO	United Nations Educational, Scientific and Cultural Organisation
NESSP	National Education Sector Strategic Plan



EXECUTIVE SUMMARY

I. STUDY CONTEXT

The Gates Foundation, in partnership with IDinsight, is supporting select government entities in Kenya to address challenges hindering effective and efficient allocation and management of public resources to improve the delivery of critical services to citizens through a learning partnerships model.

As part of this partnership, IDinsight partnered with Expertise Global in a study to explore and understand the flow of financial and non-financial data in the education sector, how they integrate into decision-making, and how this, in turn, enhances accountability. This study is to form a comparator to the health sector study being executed by IDinsight.

The critical study methodology included key informant interviews and a desktop literature review.

II. KEY FINDINGS

The study's main findings are summarised below:

- a **Education is primarily a function of the national government, with only minor subsectors devolved to the counties.** These are early childhood development education (ECDE), technical vocational centers (TVCs), childcare facilities, and craft centers. The sector has multiple stakeholders and reporting frameworks for financial and non-financial data that are guided by the Public Finance Management (PFM) Act and various legislation at the national and county levels. Financial reporting is well structured and is guided by International Public Sector Accounting Standards (IPSAS) cash templates issued by the Public Sector Accounting Standards Board (PSASB).
- b **While financial reporting is robust and guided by well-established standards, non-financial reporting lacks robust frameworks and is highly informal.** Non-financial data reporting is less structured and reliant on financial reporting templates. Further, reporting at the county level is not formalised with uniform templates, which is different from national-level reporting.

1. <https://www.zeraki.app/zeraki-analytics>

- c **The education sector is served by an array of information systems whose data has varying levels of completeness, accuracy, timeliness, and relevance.** Integrated Financial Management Information System (IFMIS) is the primary system used to capture financial information for MDAs and counties. The National Education Management Information System (NEMIS) is used to capture non-financial information by the Ministry of Education, with data capture happening at the institutional level. The system provides large arrays of non-financial data used in decision-making within the education sector. Other systems used on a lesser scale include Teachers Management Information System (TMIS), Teachers Performance Appraisal and Development (TPAD), and Zeraki¹. Unfortunately, these education sector information systems are not integrated, and the separate reports generated are difficult to collate. The systems generate data with varying levels of completeness, accuracy, timeliness, and relevance.
- d **The financial and non-financial reporting frameworks are not well structured for integration.** The Office of the Controller of Budget (OCOB) has a specialized role in linking budget outcomes with program outputs and outcomes. However, it does not yet have an efficient way to analyze the data, mostly in hard copy, that is sent to its offices. During the preparation of Program Based Budgets (PBB), the government activities are grouped into programs or sub-programs, and each is allocated a budget based on the resources required to achieve identified goals matched with key targets for delivery. This demonstrates some level of integration of financial and non-financial data. Further, external audit provides an assessment of program performance. This integrated audit approach allows auditors to evaluate both the financial management and the impact of government programs. In addition, the Controller of Budget assesses the efficiency and effectiveness of government spending by analyzing the utilization of resources vis-à-vis the achievement of program objectives and service delivery outcomes. Further, Sector Reports also provide some level of integration. They identify key priorities for the sector over the medium term and financing needs to address these gaps.
- e **Various legislations, including the PFM Act 2012, have largely prescribed accountability systems within the education sector.** These include boards and councils at the institutional level, parliament, OCOB, and Officer of the Auditor General (OAG) at the national level. However, the legal framework does not clearly provide accountability structures pointing out which education entities are directly responsible for the performance. For teachers, while the Code of Conduct and Ethics is in place, enforcement of adherence to standards of teaching is difficult to implement due to the number of unions that protect teachers from any disciplinary action. Boards of Management (BoMs) and Councils provide oversight; but BoMs in primary and secondary schools have limited capacity to enforce performance outcomes in their schools unless it is through the use of their political or lobbying capabilities. This is because the accountability for many measures of performance held by the schools lies in institutions outside the schools. Councils have much more authority and agency over the universities and Technical and Vocational Education and Training institutions (TVETs) because most of their accountability structures are in-house. There are clear reporting structures for financial and non-financial resources.

1. <https://www.zeraki.app/zeraki-analytics>



III. RECOMMENDATIONS

The report highlights several recommendations for enhancing service delivery. Key among them include:

- a Parliament should enhance the Basic Education Act and other related legislation to clearly indicate which stakeholder is responsible for education outcomes and how they are to be measured. In the short term, the Ministry of Education (MoE) can issue policy guidelines on this.
- b The education sector led by the Ministry of Education (MoE) should develop a one-stop information system for managing financial and non-financial data. In the short term, stakeholders should consider integrating the various education information systems and processes.
- c The MOE and other education sector stakeholders should develop a mechanism for integrating financial and non-financial data for better planning, including resource allocation.
- d We recommend capacity development initiatives for various prescribed accountability systems, for example, the OAG, BOMs, and institutional councils. The capacity development would be in the form of resources to employ more auditors for OAG and the directorate of schools' audit and training them on their roles and responsibilities.



1.1: BACKGROUND

Integrating financial and non-financial information in public finance management (PFM) processes ensures that financial resources are directly tied to tangible results, allowing for better resource allocation, informed decision-making, and enhanced accountability in public service provision. The public finance information includes budgets and expenditures, while non-financial information includes performance and outcome metrics.

The government plays a critical role in the provision of education in Kenya. For example, the Kenya government has allocated KES 654 billion (16.7 percent of the total budget) to the education sector in the financial year 2024/25.² The allocated budget supports recurrent and development expenditures in primary, secondary, and tertiary institutions. Further, decision-making follows a top-down approach, i.e., from the Ministry of Education (MoE) to the regional administration unit. However, at the institutional level, the government relies on boards and councils for decision-making and accountability. This implies that while public finance decisions are made centrally through the MoE, outcome monitoring is done by autonomous boards and councils.

For the education sector, integrating financial and non-financial information supports data-driven decision-making by policymakers, optimises resource allocation, and enables swift adaptation of strategies, thus reinforcing and accelerating societal benefits. A good example of this is in Ghana, where the 2018-2030 Education Strategic Plan integrates financial inputs with performance metrics and has been credited with higher student retention and achievement levels.³ Similarly, Uganda's use of financial data in recent years to improve school infrastructure and teacher quality has been linked to significant improvements in literacy and numeracy rates.⁴

However, lack of data (financial and non-financial) integration can lead to poor educational outcomes. Research by UNESCO indicates that schools lacking robust data systems often struggle with resource allocation, leading to inequitable and inefficient use of funds.⁵ Additionally, a study by the OECD found that without proper data analysis and linkages, educational institutions fail to identify and target key areas for improvement, resulting in stagnant or declining student performance.⁶ The absence of targeted data-driven decision-making processes thus hampers the ability to implement targeted interventions and optimise educational outcomes effectively.

2 - Republic of Kenya (2024). The budget summary for the fiscal year 2024/25 and the supporting information. <http://www.parliament.go.ke/sites/default/files/2024-05/Budget%20Summary%20for%20FY%2024-25%20.pdf>

3 - Global Partnership for Education. (2021). Ghana: Education sector analysis.

4 - Global Partnership for Education. (2020). Uganda: Transforming the education sector.

5 - UNESCO. (2020). Data Use for Improved Learning Outcomes: The Role of Education Management Information Systems. Paris: UNESCO.

6 - OECD. (2021). Education Policy Outlook 2021: Shaping Responsive and Resilient Education in a Changing World. Paris: OECD Publishing.

Timely and accessible financial and non-financial information in the education sector is also important. Studies highlight the pivotal role of receiving timely data-driven insights in optimizing resource allocation in the education sector each year, emphasizing the correlation between access to relevant information and improved performance outcomes. Where financial information and non-financial information are received within different timelines, it is difficult to assess the impact of an intervention. ⁷

1.2: STUDY OBJECTIVES AND SCOPE

This study interrogates whether data in the education sector in Kenya – both financial and non-financial – is effectively collected, analysed, and used to inform decision-making in the sector.

The study objectives were as follows:

- i. Map and describe the current status of the education sector (to be used as a comparator sector with the health sector), financial and non-financial information flows to county finance departments, the National Treasury, and MoE.
- ii. Establish a problem statement that identifies the precise areas and ways in which the integration of financial and non-financial indicators during reporting could facilitate improvement in education outcomes.
- iii. Develop a Theory of Action that outlines a strategic plan to tackle the identified problem; and
Recommend key PFM interventions to enhance data visibility for evidence-based decision-making in the education sector

The study scope focuses on three main questions:

- i. How do financial and non-financial information flow in the education sector to the National Treasury and relevant ministries?
- ii. What systems are in place to capture financial and non-financial indicators within the education sector?
- iii. How and at what levels are financial and non-financial indicators integrated?

1.3: APPROACH AND METHODOLOGY

The study addressed the research questions by gathering data from a literature review and stakeholder interviews. Key informant interviews were carried out at the national and county levels. See the appendices for details of the key informant interviews. This entailed having a clear understanding of the structure of the education sector and how it gathers and uses data, and using this understanding to establish how efficient the integration processes for information analysis are and if these analyses are effectively used to improve education outcomes. Consultations with the client were undertaken to highlight any emerging challenges and opportunities to contribute to a similar exercise being undertaken in the health sector.

Literature was gathered through desktop research, including studies done internationally and locally in the education sector. Information on reporting and budget formulation, implementation, and evaluation processes related to the generation and utilization of data for improved education outcomes was also collected. The integration of data – especially financial and non-financial- was of key interest. A systematic analysis was done on how data on financial allocations and expenditures influenced outputs and the desired education outcomes. Conversely, the study showed how data on outputs and outcomes informs how the education budget is formulated.

7 - Ndirangu, S. W., et al. (2021). Leveraging data analytics for optimized resource allocation in Kenyan education: A case study approach. *Journal of Public Administration and Governance*, 11(1), 45-58.



2

FRAMEWORK FOR GOVERNMENT REPORTING

Analysis of the Flow and Integration of Financial and
Non-Financial Data in the Education Sector in Kenya

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KEY TAKEAWAYS



Kenya has laid out a strong legal framework for financial information that forms the foundation for reporting in the education sector. However, the framework for non-financial reporting is not as robust.



The Office of the Controller of Budget (OCoB) has a specialized role in linking budget outcomes with program outputs and outcomes. However, it does not yet have an efficient way to analyze the - mostly hard copy - data that is sent to its offices.



Key documents integrate financial and non-financial reports including the Program Based Budgets (PBBs), Audit Reports, OCoB Reports and Sector Reports from the Sector Working Group (SWGs).

2. FRAMEWORK FOR GOVERNMENT REPORTING

2.1: THE IMPORTANCE OF INTEGRATED REPORTING IN THE PUBLIC SECTOR

Financial and non-financial reporting in the public sector is vital for transparency, accountability, and informed decision-making, which are crucial for enacting reforms and improving outcomes. According to the IMF⁸, comprehensive financial reporting helps governments track the efficiency and effectiveness of public spending, thereby identifying areas of improvement and reallocating resources as needed. Non-financial reporting, as highlighted by the World Bank⁹, helps the government track outcomes and outputs, contributing to expected impact in the sector. It includes performance indicators and qualitative assessments that provide a broader understanding of the impact of public policies and programs. Integrating financial and non-financial reporting creates a holistic approach to data generation, analysis, and use. The integrated approach to reporting allows policymakers to make evidence-based decisions, helps foster public trust because budget proposals are more transparent, and supports continuous improvement in public sector performance. By systematically analyzing these reports, governments can implement targeted reforms, enhance service delivery, and achieve better socio-economic outcomes.

The Government of Kenya has established a framework for public finance reporting to enhance transparency and accountability. This framework is anchored in the following:

1. **The Constitution of Kenya (2010)**¹⁰ : The new constitution provides the foundation for transparency and accountability in public finance management – specifically in Chapter 12 on Public Finance.
2. **PFM Act (2012)**¹¹ : The PFM Act mandates the use of International Public Sector Accounting Standards (IPSAS) and establishes the framework for financial reporting. Section 194 (1) of PFM Act provides that the Public Sector Accounting Standard Board (PSASB) should establish the frameworks and set generally accepted standards for the development and management of accounting and financial systems by all state organs and public entities.
3. **Public Sector Accounting Standards Board (PSASB)**¹² : This develops and promotes standards for accounting and financial reporting in the public sector. The National Treasury through Circular AG.3/088 VOL. 6/ (78) of 1 July 2014 and PSAB through Gazette Notice No. 5440 of 8 August 2014 pronounced the use of:
 - a. **International Public Sector Accounting Standards (IPSAS)**
 - i. **Cash Basis** – for MDAs & counties (though now moving to accrual)
 - ii. **Accrual Basis** – for regulatory agencies and noncommercial entities
 - b. **International Financial Reporting Standards (IFRS)** – for National & County Corporations carrying out commercial activities.
4. **Office of the Controller of Budget:**¹⁴ The Office of the Controller of Budget (OCoB) is mandated by Article 229 of the Constitution of Kenya to ‘oversee the implementation of the budgets of the national and county governments. Specifically, in relation to the parameters of this study, the OCoB is charged to ‘enforce transparency and accountability; and to report on budget implementation to Parliament and the county assemblies. [OCoB]’ Thus, the OCoB oversees the implementation of budgets for both national and county governments, ensuring transparency, accountability, and effective management of public funds. The OCoB also reports on budget implementation to Parliament and County Assemblies thus has a clear reporting obligation. However, a lot of the data that is collected by the OCoB comes in hard copy, from all government entities, making it difficult to effectively use the data in a timely manner without additional challenges of manual errors from transcription. The OCoB is in the process of creating a digital portal to enable data transfer in a more efficient manner.¹⁵

8 - International Monetary Fund. (2022). *Fiscal Transparency Handbook 2022*. Washington, DC: International Monetary Fund.

9 - World Bank. (2021). *Improving Public Sector Performance through Innovation and Inter-Agency Coordination*. Washington, DC: World Bank Group.

10 - Constitution of Kenya. <https://www.kenyalaw.org/ki/index.php?id=398>

11 - PFM ACT 2012. <https://www.treasury.go.ke/wp-content/uploads/2020/11/Public-Finance-Management-Act-2012.pdf>

12 - International Public Sector Accounting Standards (IPSAS) are a set of accounting standards issued by the International Public Sector Accounting Standards Board (IPSASB). These standards are designed to improve the quality, consistency, and transparency of public sector financial reporting.

13 - Public Sector Accounting Board (Kenya). <https://psasb.go.ke/>

14 - Office of Controller of Budget. <https://cob.go.ke/>

15 - The project team of this study were part of the development of this system.

While the framework for financial reporting is well-structured, the framework for non-financial reporting is not as robust. General reporting structures for non-financial reporting are not well-detailed in overarching legislation. Non-financial reporting is primarily housed in existing legislation under sections calling for monitoring and evaluation and the preparation of plans and reports. Some examples include:

1. **The County Government Act:** Contains several sections highlighting the need to develop plans and reports for monitoring purposes.
2. **The Controller of Budget Act:** Preparing quarterly and annual reports on budget implementation, including details of the progress of project implementation.
3. **Basic Education Act:** Mandates the preparation of various reports, for example by Quality Assurance Officers (QASO).

Monitoring and evaluation is managed in the Ministry in charge of Planning using the National Integrated Monitoring and Evaluation System (NIMES) and the County Integrated Monitoring and Evaluation System (CIMES). NIMES provides guidelines for monitoring and evaluating government programs and projects, ensuring data-driven decision-making and policy reforms. CIMES does the same at the county level.

The financial and non-financial reporting frameworks are not well structured for integration. Financial reports can be generated on demand using the IFMIS system used to record all financial transactions by the government, be it allocation, revenues, and expenditures (including procurement, salaries and operations, and maintenance costs). However, reports on outcomes and performance in many instances tend to happen either after a periodic performance review or monitoring and evaluation (M&E) activity. The latter activities tend to happen less frequently, are delayed or do not happen at all.¹⁶ Further, information from the monitoring and evaluation activities is not integrated into IFMIS as yet.

Publicly available core data integration points for financial and non-financial data are as follows:

1. **Program-Based Budgets (PBB):** PBBs group government activities into their programs or sub-programs. Each is allocated a budget based on the resources required to achieve identified goals matched with key targets for delivery. PBBs are developed by the Budget Office of the National Treasury with input from the sectors.¹⁷
2. **Audit Reports:** Audits provide a comprehensive assessment of program performance. Financial data such as budgetary allocations, expenditures, and revenue sources are analysed alongside non-financial data such as performance indicators, targets, and outcomes. This integrated approach allows auditors to evaluate both the financial management and the impact of government programs, providing stakeholders with a complete picture of program performance. Audit reports are developed by the Office of the Auditor General.¹⁸
3. **Controller of Budget Reports:** Reports from the Controller of Budget assess the efficiency and effectiveness of government spending by analysing the utilisation of resources vis-à-vis the achievement of program objectives and service delivery outcomes. This helps identify areas of inefficiency or underperformance that may require corrective action or reallocation of resources.
4. **Sector Reports:** These are reports are developed by the Sector Working Groups to inform the Medium-Term Budget for the sector. They identify key priorities for the sector over the medium term and financing needs to address these gaps.¹⁹

Government institutions such as the Kenya National Bureau of Statistics (KNBS) and the Kenya Institute of Public Policy Research and Analysis (KIPPRA) also perform further analysis. At the county level, sector reports incorporate commentary on performance against the County Integrated Development Plans (CIDPs) and as customised in the Annual Development Plans (ADPs).

16 - KIPPRA: Strengthening Monitoring and Evaluation at the Counties: Jan 2024

17 - International Budget Partnership Kenya: Improving Program Based Budgeting in Kenya, June 2024

18 - Office of the Auditor General: Website accessed June 2024: <https://www.oagkenya.go.ke>

19 - Office of the Controller of Budget: Website accessed June 2024: <https://cob.go.ke/>



3

OVERVIEW OF THE EDUCATION SECTOR IN KENYA

Analysis of Flow and Integration of Financial and
Non-Financial Data in the Education Sector in Kenya

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KEY TAKEAWAYS



NATIONAL FUNCTION

- Policy
- Standards
- Curricula
- Examinations
- Granting of University Charters
- Universities
- Tertiary Education Institutions
- Institutes of Research, Higher Learning, secondary and Primary Schools
- Special Education Institutions



COUNTY FUNCTION

- **Pre-primary education**
- **Technical Vocational**
- **Centres(TVCs), Homecraft centres**
- **Childcare facilities**

Box 1: Education is primarily a function of the National Government

- The MoE provides information about key developments in the sector but does not provide detailed analysis of how budget allocations and other factors have contributed to changes in the sector.
- The education sector's policy and legal framework does not clearly provide accountability structures pointing out which education entities are directly responsible for the performance in the sector.
- Similarly, for teachers, while the Code of Conduct and Ethics is in place, enforcement of adherence to standards of teaching is difficult to implement due to the number of unions that can be called upon to protect problematic teachers.
- BoMs and Councils provide oversight; but BoMs in primary and secondary schools have limited capacity to enforce performance outcomes in their schools unless it is through use of their political/lobbying capabilities. This is because the accountability for many measures of performance held by the schools lies in institutions outside the schools. Councils have much more authority and agency over the universities and TVETs because most of their accountability structures are in-house.
- ECDE centers and primary schools do not analyze how many students will be attending their institutions each year despite having key data to make estimates from historical data.
- The OAG has limited capacity to undertake audits across all school institutions as they are mandated to do, yet they do not coordinate with the Directorate of Schools' Audit (DSA) who have the capacity to do so.
- Education information systems and processes are not integrated, and the reports generated separately are difficult to collate.



Education is primarily a function of the national government, with only minor sub-sectors devolved to the counties²⁰ including Early Childhood Development Education (ECDE), technical vocational centers (TVCs), childcare facilities and craft centers. Box 1 details the assignment of the education functions.

Over the years, the education sector in Kenya has seen significant progress and challenges, with efforts focused on improving access, quality, and equity in education. According to the 2023 Economic Survey by KNBS,²¹ enrolment rates in 2021/22 have generally increased – with increases in secondary and tertiary institutions but decreases in primary and private primary schools. However, challenges such as overcrowded classrooms, inadequate infrastructure, and disparities in access between urban and rural areas persist, highlighting the need for continued investment in these areas. The Survey further indicated that the total development expenditure by the MoE was expected to more than double from KShs 13.1 billion in 2021/22 to KShs 32.4 billion in 2022/23, mainly on account of infrastructure development, especially the construction of additional classrooms and science laboratories as well as the purchase of furniture. This allocation seems to link need (inadequate infrastructure) to allocation (construction of more classrooms), but the evidence-based detail of how this increment was arrived at was not provided.

In terms of quality improvement, initiatives such as the Competency-Based Curriculum (CBC) have been rolled out to reform the education system and enhance learning outcomes. The CBC aims to shift the focus from rote memorisation to competency-based learning, fostering critical thinking, creativity, and problem-solving skills among students. Despite initial teething problems and resistance from some stakeholders, the government has continued to implement the CBC, with ongoing efforts to provide teacher training and curriculum support. A study conducted by the KIPPRA in 2022²² noted some positive outcomes of the CBC implementation, including improved learner engagement and teacher professionalism. However, challenges related to curriculum alignment and resource constraints remain.

In terms of equity and inclusivity, efforts have been made to address disparities in access and outcomes among marginalised groups, including girls, children with disabilities, and learners from low-income households. The government, in collaboration with development partners and non-governmental organisations (NGOs), has implemented various interventions to promote gender equality, including the provision of sanitary pads to girls to reduce absenteeism and dropout rates.²³ Additionally, policies and programs aimed at improving access to education for children with disabilities have been strengthened, although more needs to be done to ensure inclusive education for all. Despite these efforts, KIPPRA²⁴ highlighted persistent challenges in achieving equitable access to education, particularly for children from economically disadvantaged backgrounds, emphasising the need for targeted interventions and resource allocation to address these disparities.

Despite these positive outcomes, challenges still persist, including disparities in access to education and training; inadequate policy, legal, and institutional frameworks; accumulation of pending bills; inadequate infrastructure and facilities in learning and training institutions; inadequate human resource capacity; and inadequate funds for capitation, amongst others²⁵. The World Bank also highlighted challenges in increasing enrolment in post-primary education, improving learning outcomes, and reducing deep inequalities²⁶. For instance, across the 47 counties, the primary school net attendance ratio was lowest in Turkana (44%) and highest in Kiambu (94%) in 2022. In contrast, the secondary school net attendance ratio varied from only 17% in Tana River to 73% in Kirinyaga. However, from the reports available publicly, disaggregated data or analysis of how much was spent by the government in these counties to address these outcomes is not available.

20 - Intergovernmental Relations Technical Committee (2017). Emerging issues on transfer of functions to national and county government. Government Printers, Nairobi.

21 - KNBS: Economic Survey 2022

22 - KIPPRA. Promoting basic education equity and inclusion in context of Competency-Based Curriculum. 2022

23 - Austrian, K., Kangwana, B., Muthengi, E. et al. Effects of sanitary pad distribution and reproductive health education on upper primary school attendance and reproductive health knowledge and attitudes in Kenya: a cluster randomized controlled trial. *Reprod Health* 18, 179 (2021). <https://doi.org/10.1186/s12978-021-01223-7>

24 - KIPPRA. Status of children in Kenya report: national values and principles of governance children booklet; and a report on inclusion of persons living with disability (PWD) in social economic development. 2022

25 - Ndiemwa N., Otani M. Education System in Kenya - Its current conditions and challenges. 2020

26 - World Bank. Kenya Economic Update. June 2022 <https://documents1.worldbank.org/curated/en/099430006062288934/pdf/P17406106873620ce0a9f1073727d1c7d56.pdf>

For instance, across the 47 counties, the primary school net attendance ratio was lowest in Turkana (44%) and highest in Kiambu (94%) in 2022. In contrast, the secondary school net attendance ratio varied from only 17% in Tana River to 73% in Kirinyaga²⁷. However, from the reports available publicly, disaggregated data or analysis of how much was spent by the government in these counties to address these outcomes is not available.

3.1: LEGAL AND POLICY FRAMEWORKS ANCHORING ACCOUNTABILITY IN THE EDUCATION SECTOR

Accountability in the education sector is anchored on Several legal frameworks and policies.

This includes the Constitution of Kenya, which outlines the right to free and compulsory basic education for every child; the Basic Education Act and its amendment; The Universities Act; The Technical and Vocational Education and Training Act; The Kenya Institute of Curriculum Development Act; the Teachers' Service Commission Act; The National Education Sector Strategic Plan (NESSP); Kenya Vision 2030; National Policy on Education and Training; Policy Framework for Nomadic Education in Kenya; Special Needs Education Policy Framework; Gender Policy in Education; ICT in Education Policy; School Health Policy; and Policy on Alternative Provision of Basic Education and Training (APBET) to name a few (see Annex 4 for more details).

The legal framework provides broad parameters of accountability which are often difficult to enforce.

For example, Section 67 of the Basic Education Act indicates that the responsibility for the maintenance of standards lies with the Cabinet Secretary, the Teachers' Service Commission, the Education Standards and Quality Assurance Council, the National Education Board, and the County Education Board. Responsibility and action around poor standards are difficult to assign to specific institutions because multiple institutions are responsible. Similarly, in section 39, the Cabinet Secretary is ultimately responsible for a variety of functions, including adequate human resources, infrastructure, and quality education, to name a few; these functions are supported by various institutions that cascade to the Cabinet Secretary. This makes it difficult to demarcate a clear, accountable entity for the functions identified.

BOX 2: TEACHER PERFORMANCE IS DIFFICULT TO ENFORCE

According to the TSC Act, the TSC is mandated to investigate any case that results in a teacher being stricken from the records (rendering them incapable of employment as a teacher in Kenya). Experience detailed through key informant interviews indicates that the TSC are under pressure to enforce disciplinary actions, yet face critical constraints.

Key informants also noted that demands for good performance of the school and of teachers usually come through protests by parents. Follow up after protests is also rarely effective because analysis to pinpoint why performance was unexpectedly low is not done. Such challenges occur despite there being a lot of data available on the same in the education data systems. The BoMs are further limited in their ability to ask TSC to reprimand such teachers, because the teachers are protected by unions like KNUT and KUPPET.

In many instances, the legal framework is not implementable due to fiscal constraints. For example, the Basic Education Act mandates free and compulsory education, yet there are funding shortfalls leading to hidden costs imposed on parents.²⁸ The Special Needs Education Policy aims to provide inclusive education for all, but many schools lack the infrastructure, trained staff, and resources to support inclusive education effectively. As such, while citizens reserve the right to demand what the law has provided, it is not always possible to hold entities accountable for lack of provision due to funding constraints.²⁹

27 - KNBS (2023). Demographic and Health Survey 2022. Main Report – Volume 1. Kenya National Bureau of Statistics.

28 - UNESCO. (2022). Education for All 2021 National Review Report: Kenya. Paris: UNESCO.

29 - World Bank. (2021). Kenya Basic Education Improvement Project: Project Appraisal Document. Washington, DC: World Bank.

3.2: STRUCTURE AND GOVERNANCE OF THE EDUCATION SECTOR

At the National Level, the State Departments in the MoE govern different aspects of education for both national and county governments. There are three state departments in the MoE – the State Department of Basic Education, the State Department for Higher Education and Research, and the State Department for Vocational and Technical Training. The State Department of Basic Education is in charge of policies for the primary, secondary, ECDE, and polytechnics and craft centers. However, in terms of implementation, the county governments deliver ECDE, polytechnic, and craft center functions. The State Department for Higher Education and Research is in charge of policies for universities, while the State Department for Vocational and Technical Training is in charge of TVETs.

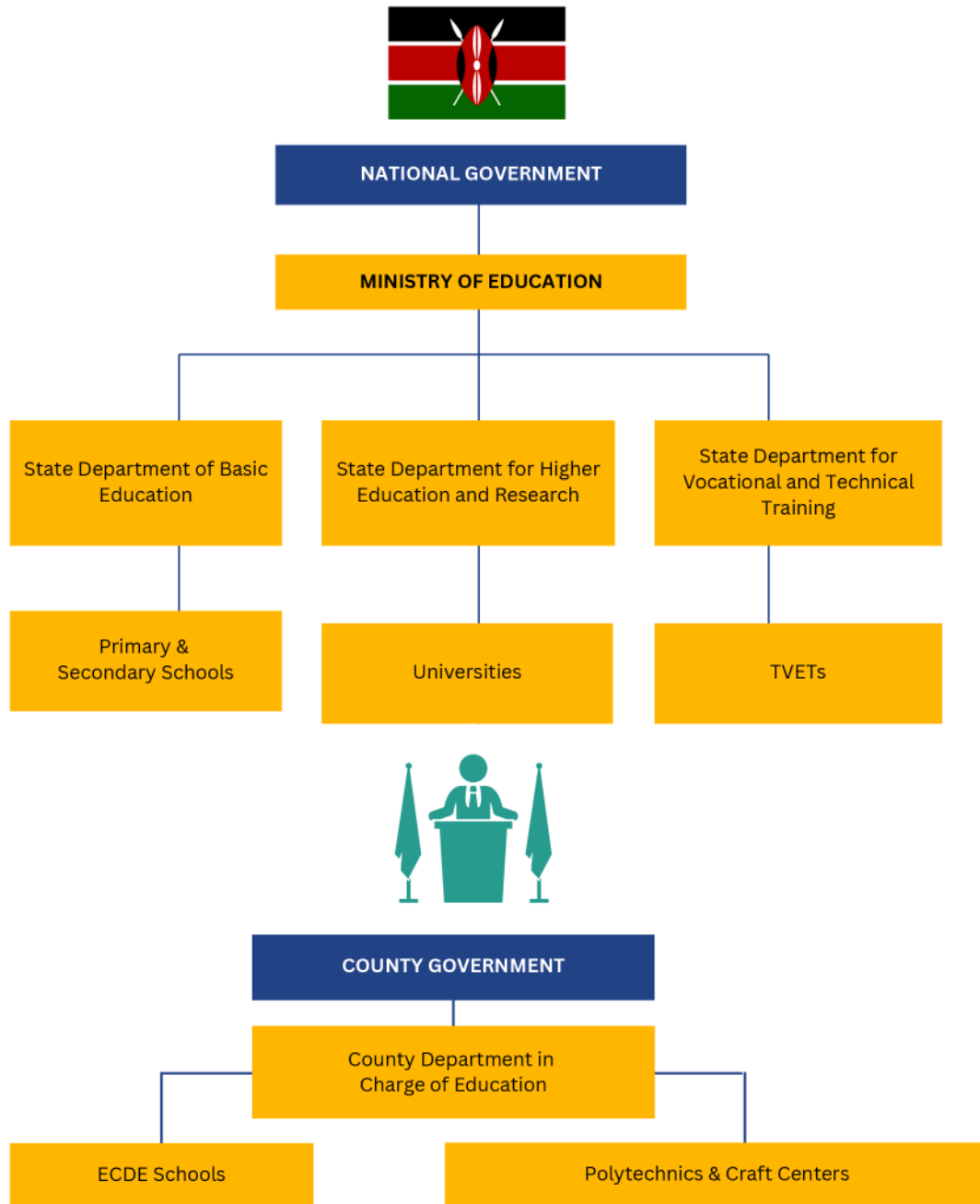


FIGURE 1: STRUCTURE OF THE EDUCATION SECTOR IN KENYA

SOURCE: MINISTRY OF EDUCATION WEBSITE

Implementation of ECDE has strong resource overlaps with national functions due to proximity and limited resources. As reported in the key informant interviews, in practice, ECDE schools are typically in the same location as the primary schools and oftentimes unofficially share resources like land, infrastructure, and materials. As such, it is difficult to determine if the resources allocated for ECDE are sufficient in and of themselves without the reliance on resources from primary schools and if this is factored into the budgeting process.

ECDE facilities, primary, and secondary schools have their own separate management structures. As reported in the key informant interviews, ECDE facilities are managed typically by one teacher and one assistant, and an oversight committee comprising the administration and selected parents of the ECDE institution. The ECDE curriculum is divided into two:

1. For pre-primary 1 (PP1) and
2. Pre - primary 2 (PP2) and teaches Language, Mathematics, Environmental, Psychomotor, and Creative and Religious Education.³⁰

The only prerequisite for attending ECDE is that the child is 4 years old. Typically, there is no registration process done before the start of the school term at ECDE schools. The students show up at school, and once they do, their names and parents' contact details are recorded and transmitted to the County Department of Education. As such, analysis and preparation as to the needs of the ECDE facility based on the number of students cannot be done as there is no idea how many students will turn up on the first day of school. The ECDE schools are supposed to be governed by a Board of Management as per the Basic Education Act of 2013. Still, according to the key informant interviews, the reality on the ground is that it is governed by a representative group of parents who provide oversight in a non-standard way (different reporting styles, different focus areas, and infrequent interaction with the County Department of Education). ECDE institutions do not receive direct funds from the county (everything is purchased and supplied centrally from the county). Still, they do receive contributions from the community, especially for school feeding programs.

Primary schools and secondary schools have a similar management structure. Primary and secondary schools are managed by a school principal and a management team that also includes a person in charge of finance and accounting. They are also governed by a Board of Management (BoM) which is comprised of:

- i. Six persons representing parents or community
- ii. A representative of the County Education Board (CEB)
- iii. A representative of the teaching staff
- iv. Representatives of the school sponsors
- v. Representative of special interest groups in the community
- vi. Representative of persons with special needs
- vii. Representative ex officio of students' council.

BoMs receive and review reports of the school's performance and condition and financial reports developed by the school's management on usage of funds. As detailed by a key informant, school fees collected by secondary schools are retained by the secondary schools for their use. Nevertheless all financial and accounting reports on all funds received must be submitted to the BoM and further sent to the CEB for accountability. Primary schools are audited by Quality Assurance Officers (QASO) for compliance with the standards and quality assurance in basic education. Schools are not yet audited by the OAG. Key informants indicated that the OAG is unable to audit schools due to limited capacity.

BoMs vary in effectiveness. BoM members and their degree of participation can determine how well the school is managed and resourced. The power of the BoM is in its ability to lobby for more resources from the MoE through its networks and influence. However, BoMs are also quite limited in how they can influence key issues such as teaching quality, school performance, and school funding. As reported by a former BoM member;

30 - Kenya Institute of Curriculum Design PrePrimary Education Design <https://kicd.ac.ke/cbc-materials/curriculum-design/>



BoMs cannot fire teachers for poor performance. Only the TSC can do this, and the parameters under which it can do this are limited. Furthermore, if the schools perform poorly, the BoMs do not have much recourse to rectify factors affecting this poor performance other than to report it. Teachers are well protected by KNUT, KUPPET and other unions.

Interview, Former BoM Member.

In fact, the Basic Education Act provides mostly oversight, advisory, support, and advocacy roles to the BoM.³¹ However, BoMs can hire teachers outside of the TSC assigned ones; these BoM teachers can be hired, fired or otherwise disciplined or rewarded directly without going through the TSC. Nevertheless, these teachers must have a TSC registration number with the requisite training and qualifications. It was noted, however, by the key informant that BoM teachers lack the protections of the TSC and are often overworked or underpaid.

Linkages between preprimary and primary schools regarding transition numbers have not been established. According to key informant interviews, since there are no provisions for entrance into primary school apart from being of age (6) and having a birth certificate, there is no structure or pipeline dictating how many students will be entering primary school. In theory, according to the same informant, schools at the preprimary and primary levels should evaluate trends in school registration in previous years to estimate the number of students expected. Even further, it was noted that they should be working closely with the county health department to track how many children were born in the area and use the data to make predictions on expected school attendance. However, none of these analyses were undertaken since there was no expectation that schools would be conducting the analysis, and the resources for staff to undertake these analyses are limited. Furthermore, many students who enroll in school do not have a birth certificate for various reasons, including some parents who might not have applied for it. As such, they cannot be officially registered in the school, but they cannot also be denied admission according to the Basic Education Act. Therefore, schools are likely to cater for many more students than are officially registered.

Capitation in Kenya’s school funding refers to the allocation of funds to schools based on the number of students enrolled. It is aimed at ensuring equitable resource distribution and supporting free primary and secondary education. The government calculates funds on a per-student basis using enrollment data submitted by schools. These funds are then directly transferred to school accounts, typically disbursed quarterly to align with school operational needs.

Free Primary Education (FPE), initiated in 2003, and Free Day Secondary Education (FDSE), launched in 2008, are key programs utilizing capitation grants. These grants cover essential expenses such as teaching materials, examination fees, and school maintenance.

Box 3: Capitation in Primary and Secondary School

Source: Basic Education Act, 2013.

Year	2008-2014	2015-2017	2018- Date
Capitation per pupil (Kshs) – Primary schools	1,020	1,020	1,420
Capitation per student (Kshs) – Secondary schools	10,625	12,870	22,244

31 - Section 59. Basic Education Act

Universities and national polytechnics are governed by University or National Polytechnic Councils (University Act and TVET Act 2013). As reported by a key informant well-versed in higher education management, these entities are much more effective and have much more agency over their institutions. University or National Polytechnic Councils hire and discipline or reward their own staff. They support and provide resources for curriculum development & implementation They prepare, send, and receive reports to the MoE; and are directly audited by the Office of the Auditor General.

County polytechnics and craft schools are governed by a council. The council is responsible for policy, administration, budgeting, and approving interventions to improve education outcomes. The county polytechnics are mandated to send financial reports to the County Executive member in charge of Education and County Auditors. The polytechnics and craft schools are also mandated to share financial statements for any development partner-funded activities for accountability purposes. Non-financial information, including activities undertaken and challenges facing the polytechnic or craft schools, is shared through the annual report.

All public institutions receiving public funds are supposed to be audited by the Auditor General, including secondary schools and universities. However, preprimary and primary schools are not audited – and this has been cited by key informant interviews to be due to limited resources. Secondary schools are audited by the Directorate of Schools Audit (DSA) under the State Department of Basic Education and as per the Basic Education Act 2013. The DSA has the capacity at hand to deliver against the audit of over 11,000 secondary schools in the country. However, by law, the OAG is supposed to be undertaking external audits as per Article 229 of the Constitution, but they do not have the capacity at hand. Nevertheless, the OAG has piloted audits in selected secondary schools to enable them to determine, acquire, and deploy the necessary staff to undertake the secondary school audit. Universities and TVETS are audited annually by the OAG.

Audit reports from DSA and OAG are used to hold School Principals and BOMs to account for any significant findings. Principals undergo disciplinary action by TSC while BOMs are held to account by the Ministry of Education.

3.3: KEY STAKEHOLDERS IN THE EDUCATION SECTOR



At the national and county levels, different stakeholders are directly engaged in the education space. These include ministries, departments, and agencies (MDAs) across all government tiers, as well as various stakeholders like development partners, including international institutions, non-governmental organizations (NGOs) and faith-based organizations, community members including parents and alumni amongst others (see Annex 3).

Entity	Role in Education management and accountability
National	
Ministry of Education	<ul style="list-style-type: none"> • Primary education, secondary education, quality assurance and standards and general administration, planning and support services. The PS at each state department is the accounting officer for budgeted resources. • Technical Vocational Education and Training, youth training and development and general administration, planning and support services. • University education; research, science, technology and innovation; and general administration, planning and support services. • Overall management and coordination of the CBC reforms by ensuring an integrated and inclusive process across all the reform activities and actors. • House department of schools' audit responsible for additional internal feedback on schools above that of OAG and internal audit department.
Education Sector Working Group	<ul style="list-style-type: none"> • Develop an education sector report to support the medium-term expenditure review. • Prioritize the education budget and include consultations from government and nonstate actors
National Treasury	<ul style="list-style-type: none"> • Formulate financial policies as well as provide funding for programs. • Undertake financial accounting and reporting on education expenditures. • Negotiate around budget allocation with education stakeholders
Office of the Auditor General	<ul style="list-style-type: none"> • Audit use of education funds • Confirm whether or not public funds has been used lawfully and in an effective way
Parliament	<ul style="list-style-type: none"> • Enact legislation related to education. • Appropriate funds for allocation to the education sector • Interrogate key education sector issues with government actors. • Exercise oversight over the education sector
County Assembly	<ul style="list-style-type: none"> • Enact legislation related to education in their areas of jurisdiction. • Appropriate funds for allocation to the education department • Interrogate key education sector issues with county government actors. • Exercise oversight/accountability over the education department
Office of the Controller of Budget	<ul style="list-style-type: none"> • Oversee implementation of the education budgets of the National and County Governments by authorizing the withdrawal from public funds
Teachers Service Commission	<ul style="list-style-type: none"> • Manage teacher resources. • Establish and implement teacher governance and standards. • Establish and implement general administration and planning services

Entity	Role in Education management and accountability
National	
Teachers Service Commission	<ul style="list-style-type: none"> Manage teacher resources. Establish and implement teacher governance and standards. Establish and implement general administration and planning services
County Education Board	<ul style="list-style-type: none"> Coordinate, monitor and share data and annual reports at the county level
National Education Board	<ul style="list-style-type: none"> Advise the Cabinet Secretary and education-related departments on matters of policy and publish an annual report on “the state of education and service delivery in the country”
Board of Management	<ul style="list-style-type: none"> Manage and oversee how the resources of the primary or secondary schools are used
Head Teachers’ Associations and Teachers’ Unions	<ul style="list-style-type: none"> Channel issues and concerns of teachers and principals to education policymakers (KEPSHA/KSSHA) ³²
Teachers’ Unions	<ul style="list-style-type: none"> Participate in policymaking and law-making in the education sector and engage government in the interest of teachers (KNUT/KUPPET) ³³
County	
Department in charge of education	<ul style="list-style-type: none"> Implement early childhood education. Implement education through village polytechnics and craft centers

Table 2: Key institutions involved in the education sector

3.4: DATA MANAGEMENT SYSTEMS FOR THE EDUCATION SECTOR

The education sector collects and collates education sector information using the following structures:

- National Education Management System (NEMIS):** NEMIS collects information on student data, including enrolment, contact details, and performance, school facility data, including infrastructure and learning materials, teacher information by school, cost parameters of education, and locational information. NEMIS is also supposed to provide a platform for education agencies to share information.³⁴ Still, according to key informant interviews, many stakeholders, including the National Treasury, do not have direct access to NEMIS. Key informant interviews noted that NEMIS data is incomplete and inaccurate – often, schools do not delete transferred students from their records so that they can still receive the capitation grant related to transferred students. Currently a new school census is being undertaken to update the last one that was done in 2007; this will include all public and private schools in the country, and this will be updated into NEMIS.
- Integrated Financial Management Information System (IFMIS):** IFMIS serves as the nationwide system for financial management for MDAs and Counties. This includes handling financial requests from the MoE, allocations for expenses for (amongst others) educational institutions, MoE personnel, equipment, and the budget for teacher employment by the TSC. All financial information is reported as guided by the Public Sector Accounting Services Board (PSASB).



³² - Kenyan Primary School Head Teachers Association and Kenya Secondary School Heads Association
³³ - Kenya National Union of Teachers and Kenya Union of Post Primary Education Teachers
³⁴ - Ministry of Education, NEMIS: <https://nemis.education.go.ke/>

- **Teacher Performance Appraisal and Development (TPAD):** Data on teachers is captured through the TPAD. The tool has four standards for evaluating the job performance of teachers: (i) professional knowledge and practice, (ii) comprehensive learning environment; (iii) teacher professional development; and (iv) teacher conduct and professionalism. The information is uploaded onto the TPAD tool by evaluators including school representatives and other teachers and submitted to TSC. An example of data on TPAD is teacher accountability as shown in Table 2. As shown in the table, the data collected can sometimes be difficult to interpret if you are not a regular user or familiar with the system. This can hinder the accurate interpretation of results. Furthermore, it has been reported that even where there is poor performance recorded, there are no commensurate reprimands. As reported by a key informant:



There are many reasons why a student may not perform well. Teacher performance according to TPAD is just one. It is almost impossible to fire a teacher even though it is provided for in the TSC Act. The most that is done is that they are transferred.

Interview XX

- **Teacher Management Information Systems (TMIS):** TMIS is used by the TSC for registration, recruitment, assignment and deployments, promotions, and transfers of teachers registered with the TSC. Teachers can directly update their details on TMS. However, according to key informant interviews, not all teachers are on TMIS – for example, many Madras teachers are not registered.
- **ZERAKI:** Zeraki is a privately-owned tool, which primarily provides data analytics on learners' performances that has been deployed by schools. It has 3 main modules:
 - Analytics – a data analytics program for exams management systems.
 - Learning - a digital learning platform that comprises video lessons and assessment tests developed by schoolteachers.
 - Finance module - Zeraki Finance works to assist the school in managing its own accounts in receipting, expense tracking, cash flow summaries, and accurate financial reports, efficiently tracking student fee balances and communicating those fee balances to their parents through their phones.
 - While Zeraki is present in about 30% of the schools across the 47 counties in Kenya³⁵, there were no indicators on the specific modules the schools subscribed to, whether they had both the financial and non-financial modules present or only subscribed to a specific module which the schools could afford to purchase.
 - Being a privately owned system, there is a challenge of how it can be scaled in terms of schools using it.



³⁵ - Delivering Affordable Digital Learning in Kenya. <https://www.vodafone.com/news/empowering-people/safaricom-zeraki-delivering-affordable-education-kenya>

Unfortunately, these education systems are not integrated, and the separate reports generated are difficult to collate. NEMIS, IFMIS, TPAD, and TMIS gather a lot of data, both financial and non-financial. However, there is no interface that connects the systems for swift and efficient analysis of data to uncover key trends and analysis for policy and decision-making. Furthermore, reports and analyses such as schools’ audits and quality assurance reports are manual and do not have points of integration, leaving the information siloed and limited in access and utility. When asked why, key informants noted that there is distrust between institutions, and as a result, they do not share information with each other apart from through reports separately generated.

Data from NEMIS is used to determine capitation in the education sector. The system provides information keyed in at the institutional level, including the number of learners admitted and graduated from the institution, transfers, and the number of teachers in the institution, amongst others. The MoE uses this information to allocate capitation to every learner as per their NEMIS records. The main challenge with the NEMIS system as noted by one key informant is the absence of birth certificates by a large number of primary school students, which is the key parameter for inclusion in NEMIS.

The study conducted interviews with various education stakeholders on the nature of data captured in various systems used by MOE in terms of completeness, accuracy, timeliness relevance.

Reliability of the systems was determined by the “Complete, Accurate, Timely and Relevant” aspects of the systems. ‘Complete’ informs on the viability and totality of available data in the system for decision making purposes was in the education sector. ‘Accurate’ referred to the preciseness of the data presented by the system; ‘Timely’ indicated on the availability of the data at the very instance it is required for decision making; and ‘Relevant’ spoke to the appropriate indicator of the data in decision making by the relevant institutions. The table below gives a summative account on the reliability of the systems.

System	Complete	Accuracy	Timely	Relevant
IFMIS	No The system primarily focuses on financial information	No There are no system checks to verify the accuracy of data from the institutional level.	No Information is not received into the system in a timely manner, as it is manually transmitted from the institutions.	Yes The information contained in the system is relevant for use in financial reporting

System	Complete	Accuracy	Timely	Relevant
NEMIS	No The data mainly focuses on non-financial aspects within the institutions of learning	No Data is not accurate as it may not relay the actual number of learners on the ground; for instance, some learners do not have the required documentation	No This depends on the capacity to enter data into the system by the schools on time.	Yes It provides information on learners and institutions as required
TMIS	No Lack of full integration with other systems limits the information accessed	Yes Provides all the required information on the teachers for TSC	Yes Information is immediately reflected and disbursed from the institutional level	Yes For TSC only, as the system works to serve their purposes
TPAD	No Appraisal should not be done by the individual being appraised, yet each teacher can appraise themselves	No Teachers may not give accurate data on themselves in their own appraisals	No It does not provide timely information regarding the teachers.	Yes It provides relevant information regarding teachers' professional development

SOURCE: KEY INFORMANT INTERVIEWS



4

FINANCIAL & NON-FINANCIAL INFORMATION FLOWS

Analysis of Flow and Integration of Financial and Non-Financial Data in the Education Sector in Kenya

EXPERTISE GLOBAL IDinsight



KEY TAKEAWAYS

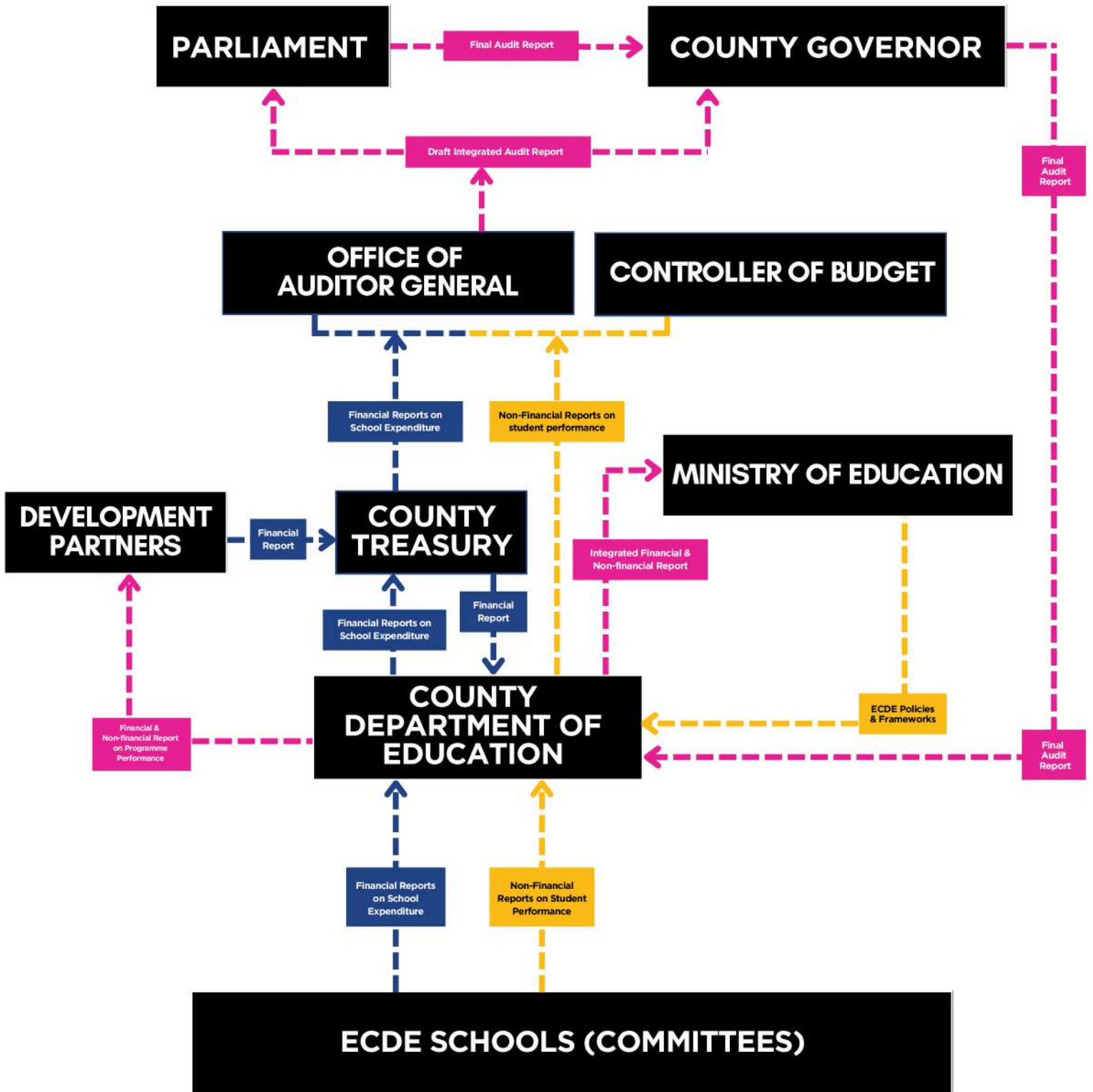
- Similar data is collected and reported by different key educational institutions but reported at different levels of aggregation. This leads to unnecessary duplication.
- Some of the reports generated are manual and difficult to collate. Similarly, each learning institution inputs data specific to them in the system. Data moves from the learning institutions and is collated at SCDEs, then submitted to the counties and finally to MOE, the data become bulky at each level and less specific. This makes it difficult to consume the data for decision making. e.g. the CDE, using the collated data, may indicate in the system the number of classrooms required in the county, but does not show the specific and extent of the shortage per specific school.
- NEMIS, IFMIS, TPAD gather a lot of financial and non-financial data. However, there is no interface that connects the systems for swift and efficient analysis of data to uncover key trends and analysis for policy and decision making.
- The positive thing is that data on education inputs like number of students at each level and each learning institution can be obtained real time at the click of a button.
- Using the Zeraki system parents and teachers are able to monitor the movement of learners through the log in and log out buttons mainly placed at school entrance points.
- The systems capture and provide data for all institutional inventory on infrastructure and school plant this makes them secure and provides data for planning for infrastructure gaps in learning institutions

EXPERTISE GLOBAL IDinsight

As highlighted earlier, the education sector has multiple stakeholders and reporting frameworks. This section outlines how financial and non-financial information flows from one institution to the next.

To facilitate tracking, the information flows are categorized into three diagrams: ECDE Financial and Non-Financial Information Flows; Financial and Non-Financial Flows for Primary and Secondary Schools; and Financial and Non-Financial Flows for Universities and TVETs. This information is based on the existing legislation mentioned in section 3.1, along with insights from stakeholder interviews.

ECDE Financial and Non-financial Information Flows



FLOWCHART LEGEND	 FINANCIAL & NON-FINANCIAL FLOWS	 FINANCIAL FLOWS	 NON-FINANCIAL FLOWS

4. FINANCIAL AND NON-FINANCIAL INFORMATION FLOWS

4.1: ECDE SCHOOLS' NARRATIVE

4.1.1: FINANCIAL INFORMATION FLOWS: ECDE SCHOOLS

- **The County Departments of Education receive financial reports from all ECDE institutions within their respective Counties.** They consolidate these reports into comprehensive county-level financial reports and further use this information to create budget proposals each year. Financial reports are forwarded to the County Treasury, CEBs, OAG, and OCoB, while budget proposals are forwarded to the County Treasuries.
- **The County Treasuries are responsible for managing and disbursing funds to the County Departments of Education for procurement.** County Treasuries also receive budget proposals from the County Departments of Education, review them, and generate budget allocation reports and disbursement schedules where funds are approved. These reports are then communicated to the County Departments of Education and also to the OCoB (for oversight purposes).
- **Development Partners (DPs) send funding agreements and financial reports to the Ministry of Education and County Treasuries for funds provided by them for their programs.** The DPs share financing agreements and disbursement reports with the County Treasuries, who also forward them to the County Departments of Education for accountability.
- County Treasuries also share financial information with the OCoB and the OAG for audit and oversight purposes.
- **Parliament receives and reviews budget approval reports and oversight reports from the Ministry of Education and the OCoB.** It scrutinises these reports to approve national education budgets and oversee the proper use of public funds allocated to the education sector, including with ECDE institutions.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
1	ECDE	<ul style="list-style-type: none"> • Procurement requests and expenditure reports 	<ul style="list-style-type: none"> • County Departments of Education 	<ul style="list-style-type: none"> • Report on the utilization of funds received from other parties including parents
2	County Departments of Education	<ul style="list-style-type: none"> • Budget proposals • Comprehensive county-level financial reports 	<ul style="list-style-type: none"> • County Treasuries • MoE through the CEBs 	<ul style="list-style-type: none"> • Budget Formulation • Ensure compliance with national financial guidelines, policy formulation, and general oversight
3	County Treasuries	<ul style="list-style-type: none"> • Budget allocation reports and disbursement schedules • Expenditure reports 	<ul style="list-style-type: none"> • County Departments of Education • OCoB 	<ul style="list-style-type: none"> • Notification of allocations and expenditure • Budget oversight
4	Development Partners	<ul style="list-style-type: none"> • Funding agreements and disbursement reports 	<ul style="list-style-type: none"> • County Treasuries 	<ul style="list-style-type: none"> • Notification of allocations and disbursements

Table 4: Financial Information Flows for ECDE Schools

4.1.2: NON-FINANCIAL INFORMATION FLOWS: ECDE SCHOOLS

- ECDE schools generate enrollment data, performance reports, and other non-financial information, which they send to the respective County Departments of Education. The purpose of this information is to track educational outcomes and identify resource needs at the County level.
- The Ministry of Education generates national education reports and policy guidelines and disseminates them to the County Departments of Education through the CEBs.
- The County Department of Education transmits performance reports to the OAG and the OCoB for review and oversight.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
1	ECDE	Enrollment data, performance reports, and other non-financial information	County Departments of Education	Track educational outcomes and identify resource needs at the County level
2	Ministry of Education	National education reports and policy guidelines	County Departments of Education	Guide educational policy and ensure consistency in implementation across Counties
3	County Department of Education	Compliance reports and performance information	OAG, OCoB	Ensure transparency, accountability, and compliance within the ECDE sector

Table 5: Non-Financial Information Flows for ECDE Schools



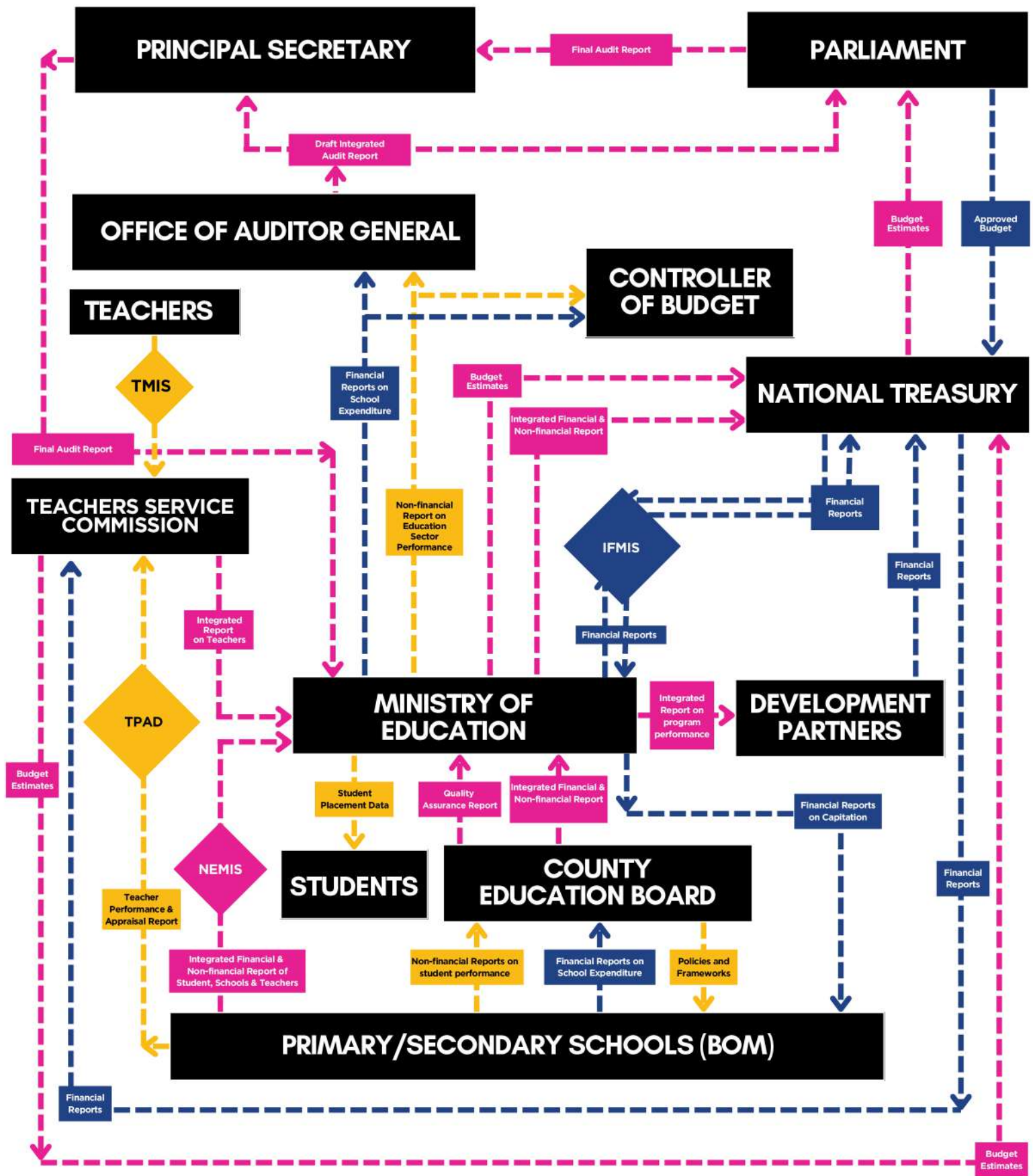
4.1.3: INTEGRATED FINANCIAL AND NON-FINANCIAL DATA FLOWS: ECDE SCHOOLS

- The County Departments of Education integrate the financial and non-financial data received from all educational institutions within their jurisdiction and share them with the County Treasury for budget formulation, and the Ministry of Education for oversight.
- County Departments of Education also share performance reports with DPs based on financing provided by the DPs to trigger the release of additional funds.
- The OAG conducts comprehensive audits that review both financial and non-financial aspects of the education sector. These audit reports are generated with integrated financial and non-financial information and submitted to Parliament and the County Governor for review. Upon approval, Parliament sends a copy back to the County Governor, who sends it to the County Department of Education for action.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
1	County Departments of Education	Comprehensive reports integrating financial and non-financial data	Ministry of Education	Ensure coordinated management of resources and monitor educational outcomes at the county level
2	County Department of Education	Program performance reports	Development Partners	Reporting on outputs and outcomes as a result of the program
3	Office of the Auditor General	Comprehensive Draft audit reports	Parliament, County Governors	Ensure overall accountability and transparency in all aspects of the sector's operations
4	Parliament	Comprehensive Final Audit Report	County Governors	Highlight the performance of the education sector and areas for improvement from a compliance and performance perspective
5	County Governors	Comprehensive final county audit reports	County Department of Education	Audited report for remedial action by the County Department of Education

Table 6: Integrated Financial and Non-Financial Information Flows for ECDE Schools

Primary & Secondary Schools Financial and Non-financial Information Flows



FLOWCHART LEGEND



FINANCIAL & NON-FINANCIAL FLOWS



FINANCIAL FLOWS



NON-FINANCIAL FLOWS

4.2 PRIMARY AND SECONDARY SCHOOLS

4.2.1 FINANCIAL INFORMATION FLOWS: PRIMARY/SECONDARY SCHOOLS

- Primary and secondary schools generate financial reports detailing their budget allocation, revenue, and expenditures. These reports are then sent to the respective CEBs for review and consolidation at the county level.
- The CEBs play a crucial role in ensuring compliance with financial regulations and proper utilization of funds. They receive financial reports from all the primary and secondary schools within their jurisdiction, consolidate them, and forward the aggregated county-level financial reports manually to the Ministry of Education. The MoE uses this data for budget preparation which is then annually submitted to the National Treasury for budget preparation.
- The MoE also provides capitation allocation reports to the BoMs for accountability purposes.
- DPs also support the education sector and any reports on financing agreements and disbursements are sent to the National Treasury for review.
- The National Treasury plays a central role in the financial flows. It receives budget proposals from various government ministries, including the MoE, reviews them, and prioritizes them based on available resources and national priorities. Approved budget allocations for the education sector are then communicated in the Parliament and deployed through the Integrated Financial Management Information System (IFMIS). Furthermore, all financial reports are generated through IFMIS.
- The TSC is also financed as a separate vote, directly by Treasury, sending budget proposals to them and receiving their final budget estimates from the Treasury.
- To ensure fiscal responsibility and accountability, the MoE submits financial reports to the OAG and to OCoB.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
1	Primary and Secondary Schools (through BOMs)	Financial reports on School Expenditure	County Education Boards (CEBs)	Revenue, expenditures, and budget allocations
2	Development Partners	<ul style="list-style-type: none"> • Funding agreements and disbursement reports 	<ul style="list-style-type: none"> • National Treasury 	Reporting on disbursements and update on financing agreements
3	National Treasury	<ul style="list-style-type: none"> • Approved budget allocations • Budget Estimates • Financial report 	<ul style="list-style-type: none"> • Ministry of Education • Parliament • Teachers Service Commission 	<ul style="list-style-type: none"> • Communicate allocations for the year. • Review and approval of budget estimates. • Communicate allocations for teachers
4	Ministry of Education	<ul style="list-style-type: none"> • Budget Estimates • Financial reports • Financial Report on capitation 	<ul style="list-style-type: none"> • National Treasury • OCOB and OAG • Primary and Secondary Schools 	<ul style="list-style-type: none"> • Review and prioritization of budget for inclusion in national budget. • Oversight and compliance. • The allocation of funds for overall expenses
5	Parliament	Approved budget	National Treasury and TSC	Budget Estimates for the year

Table 6: Financial Information Flows for Primary/Secondary Schools

4.2.2: NON-FINANCIAL INFORMATION FLOWS: PRIMARY/SECONDARY SCHOOLS

- Teachers provide information, such as professional development records, performance evaluations, and personal details, to the TSC through TMIS.
- Primary and Secondary schools collect and report non-financial data, including student enrollment, attendance, staff details, and curriculum implementation, to the TSC through the NEMIS. NEMIS is accessible by officers in the MoE. Primary and Secondary schools also send information on student performance to the CEBs for review and aggregation.
- The TSC receives non-financial data from primary schools through TPAD. In many instances teachers also provide information through TPAD. This information is important for teacher management, deployment, training, and performance evaluation purposes.
- The OAG conducts compliance audits using information from the MoE and generates reports on non-financial aspects, such as adherence to laws, regulations, and policies. These compliance reports and audit recommendations are sent to Parliament and the MoE for review. Once approved, they are sent back to the Principal Secretary for corrective action by the relevant departments. Quality assurance audits are also undertaken by QASOs based in the CEBs, and reports aggregated and sent to MoE for review and analysis.
- The OCoB generates budget performance and implementation reports using information submitted from the MoE. These reports are for oversight and monitoring purposes.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
1	Teachers	<ul style="list-style-type: none"> • Teacher information and records 	TSC	Record the comprehensive details of each teacher
2	Primary/Secondary Schools	<ul style="list-style-type: none"> • Evaluation and Appraisal Reports • Reports on student performance 	<ul style="list-style-type: none"> • TSC • County Education Board 	<ul style="list-style-type: none"> • Record the performance of teachers for professional development. • Track performance of students and schools
3	Ministry of Education	<ul style="list-style-type: none"> • Placement data • Education sector performance 	<ul style="list-style-type: none"> • Students • OAG • OCoB 	<ul style="list-style-type: none"> • Secondary school assignment • Auditing and oversight. • Accountability and Transparency
4	County Education Board	Policy and frameworks	Primary and Secondary Schools	To enable the learning institutions to operate within a coherent and standardized framework

Table 7: Non-Financial Information Flows for Primary/Secondary Schools

4.2.3 INTEGRATED FINANCIAL AND NON-FINANCIAL INFORMATION FLOWS: PRIMARY/SECONDARY SCHOOLS

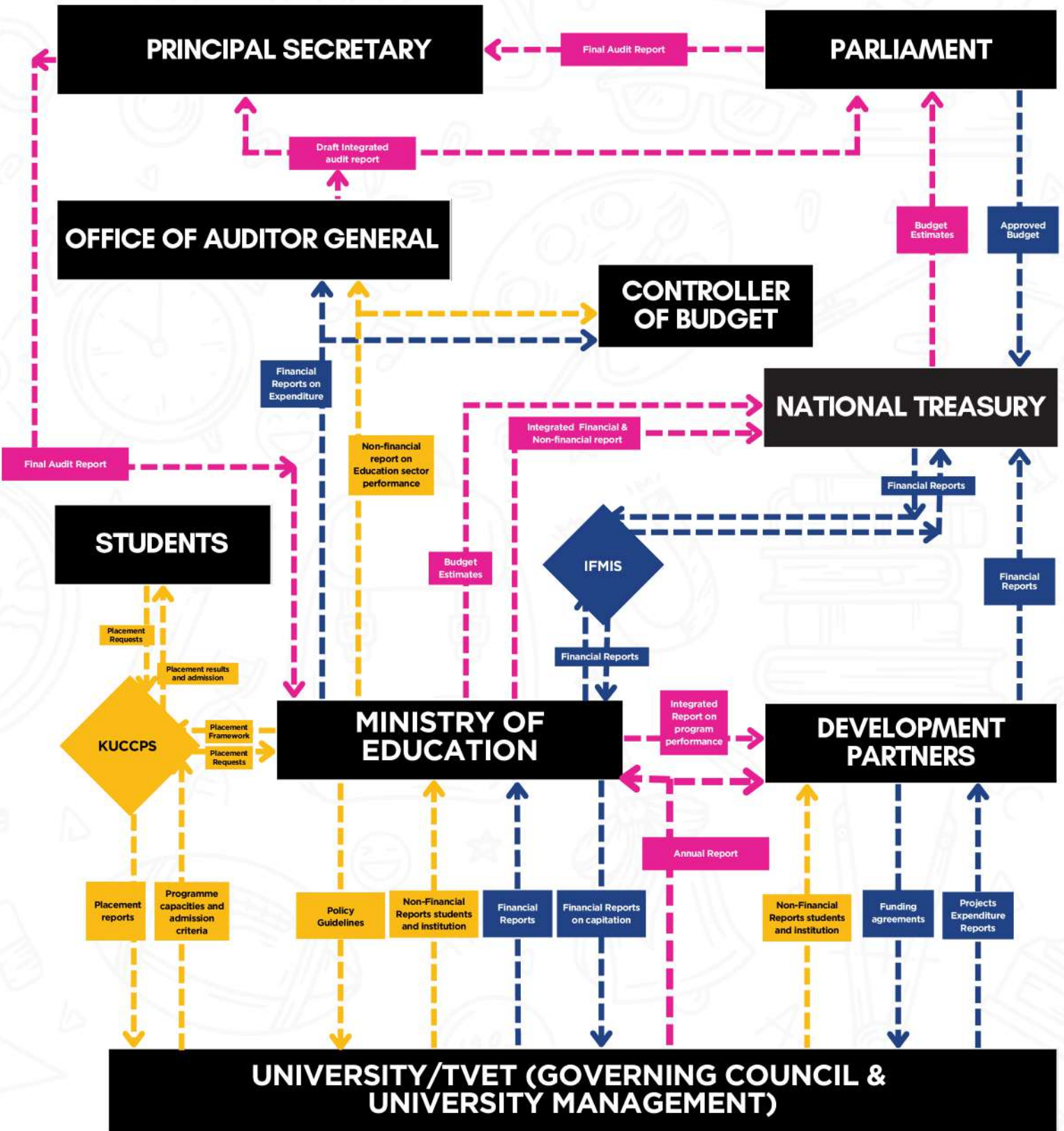
- Primary and secondary schools generate comprehensive annual reports that include both financial and non-financial data, which are entered into NEMIS. CEB uses the data to generate reports to ensure coordinated management of resources and monitor educational outcomes at the county level. Moreover, information on the outcome per school is relayed through the NEMIS report for the subsequent year and manual school academic reports done by the QASO and the NESSP data collection survey.
- DPs receive integrated financial and nonfinancial reports from MoE on the performance of the programs they have financed.
- The MoE receives integrated financial and non-financial reports from all CEBs it uses for oversight.
- The TSC generates comprehensive teacher reports that integrate separate financial information (e.g., payroll data) and non-financial information (e.g., performance evaluations, professional development) from TMIS and TPAD. These reports are sent to the MoE to ensure effective management of teachers and finances.
- The OAG conducts comprehensive audits that cover both financial and non-financial aspects of the education sector at the level of the MoE. Comprehensive audit reports are generated and submitted to Parliament to ensure compliance and overall accountability. The final audit reports are sent back to the MoE via the relevant Principal Secretary.
- The National Treasury receives integrated financial reports from the MoE to manage and report on the national financial status of the education sector. This information is also used for budget formulation. The National Treasury, after the budget has been approved by Parliament, permits expenditures to commence through IFMIS.
- Parliament receives integrated reports from the National Treasury for budget review and approval. It also receives audit reports from the OAG for review. Once audit reports are approved, they are sent back to the MoE through its Principal Secretaries.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
1	Primary and Secondary Schools	Annual reports via NEMIS	Ministry of Education	Provide comprehensive data on financial and non-financial operations
2	CEBs	Manual consolidated financial and non-financial county-level reports & Quality Assurance reports	Ministry of Education	Ensure coordinated management of resources and monitor educational outcomes at the county level
3	MoE	<ul style="list-style-type: none"> • National education performance and financial reports • Budget estimates • Consolidated report on program performance 	<ul style="list-style-type: none"> • National Treasury • Development Partners 	<ul style="list-style-type: none"> • Inform policy decisions. • Process budget allocation request. • Report on performance of DP financed programmes

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
4	TSC	<ul style="list-style-type: none"> Comprehensive teacher reports Budget estimates 	<ul style="list-style-type: none"> Ministry of Education National Treasury 	<ul style="list-style-type: none"> Report on management of teacher resources and finances. Budget allocation request
5	OAG	Draft comprehensive audit reports	Parliament, Principal Secretary	For review and to ensure overall accountability and transparency
6	National Treasury	Budget Estimates	Parliament	Review and approve budget estimates
7	Parliament	Final audit report	Principal Secretary	Ensure legislative oversight, accountability, transparency and corrective action is taken in cases of deficiencies

Table 8: Integrated Financial and Non-Financial Information Flows: Primary/Secondary Schools

University/TVET Financial and Non-financial Information Flows



FLOWCHART LEGEND

- FINANCIAL & NON-FINANCIAL FLOWS
- FINANCIAL FLOWS
- NON-FINANCIAL FLOWS

4.3 UNIVERSITIES AND TVETS

4.3.1: FINANCIAL INFORMATION FLOWS: UNIVERSITIES/TVETS

- Universities and TVETs, guided by their respective governing councils and university management, generate budget requests and expenditure reports. These financial reports are sent to the MoE to secure funding and report on the utilization of allocated funds. If applicable, they may also share these reports with development partners who provide financial support.
- The MoE receives the budget estimates from universities and TVETs, analyzes them, and prepares the national education budget from them. These budget estimates are then submitted to the National Treasury and to Parliament for approval, ensuring adherence to national priorities and equitable distribution of funds. The MoE also enters data on revenue, expenditures, and budget into IFMIS where the National Treasury can then generate financial reports.
- DPs receive financial reports from MoE on expenditures and DPs in turn provide financial and disbursements reports to the National Treasury.
- The OCoB oversees the implementation of the approved budgets by monitoring budget execution and ensuring that funds are used as intended. It generates budget implementation reports for accountability purposes.
- Parliament approves the national education budgets and oversees the use of public funds. It receives budget approval reports and oversight reports from the MoE and the National Treasury, reviewing and scrutinizing them to ensure proper financial management.
- To ensure fiscal responsibility and accountability, the MoE submits financial reports to the OAG and to OCoB on University and TVET activity.

4.3.2: NON-FINANCIAL INFORMATION FLOWS: UNIVERSITIES/TVETS

- Universities and TVETs, through their governing councils and university management, generate non-financial data such as enrollment data, academic performance reports, and research outputs. This information is shared with the MoE if applicable, with DPs to track educational outcomes, resource needs, and research achievements.
- The MoE generates national education reports and policy guidelines that are shared with the universities and TVETs to guide educational policy and ensure consistency across institutions.
- Students submit placement requests to the MoE through the KUCCPS system, through which the MoE also provides guidelines on placement and placement reports to students and Universities. Universities in turn also provide program and admission criteria into the KUCCPS.
- MoE submits performance reports to the OAG in order for the OAG to conduct audit assessments.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
1	Universities and TVETs	<ul style="list-style-type: none"> • Budget requests and expenditure reports • Projects Expenditure reports 	<ul style="list-style-type: none"> • MoE/OCo • Development Partners (if applicable) 	<ul style="list-style-type: none"> • Secure funding and report on utilization of allocated funds • Financial reporting • Ensure accountability in funded projects

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
2	Development Partners	<ul style="list-style-type: none"> Funding agreements and disbursement information 	<ul style="list-style-type: none"> Universities and TVETs National Treasury, 	<ul style="list-style-type: none"> Reporting on funds disbursed and program financial position.
3	National Treasury	<ul style="list-style-type: none"> Approved budget allocations 	<ul style="list-style-type: none"> MoE 	<ul style="list-style-type: none"> Convey approved budget allocations and manage financial flows
4	MoE	<ul style="list-style-type: none"> Financial reports Financial reports on capitation Budget implementation reports Financial statements and reports 	<ul style="list-style-type: none"> National Treasury University and TVETs OCOBO AG 	<ul style="list-style-type: none"> Report on expenditure Transparency and Accountability on budgetary allocations Oversight and control of budget execution. Auditing and oversight.
5	Parliament	<ul style="list-style-type: none"> Approved budget reports Final Audit report 	<ul style="list-style-type: none"> National Treasury MoE 	<ul style="list-style-type: none"> Approve national education budgets. Address audit queries raised by OAG

Table 9: Financial Data Flows: Universities/TVETs

4.3.3: NON-FINANCIAL INFORMATION FLOWS: UNIVERSITIES/TVETs

- Universities and TVETs, through their governing councils and university management, generate non-financial data such as enrollment data, academic performance reports, and research outputs. This information is shared with the MoE if applicable, with DPs to track educational outcomes, resource needs, and research achievements.
- The MoE generates national education reports and policy guidelines that are shared with the universities and TVETs to guide educational policy and ensure consistency across institutions.
- Students submit placement requests to the MoE through the KUCCPS system, through which the MoE also provides guidelines on placement and placement reports to students and Universities. Universities in turn also provide program and admission criteria into the KUCCPS.
- MoE submits performance reports to the OAG in order for the OAG to conduct audit assessments.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
1	Universities and TVETs	<ul style="list-style-type: none"> Enrollment data, academic performance reports Admission criteria 	<ul style="list-style-type: none"> MoE Development Partners (if applicable) Students 	<ul style="list-style-type: none"> Track educational outcomes, resource needs, and research achievements. Assign students to universities/TVETs
2	MoE	<ul style="list-style-type: none"> National education reports and policy guidelines Education sector performance Placement information 	<ul style="list-style-type: none"> Universities and TVETs Office of Auditor General / OCoB Students 	<ul style="list-style-type: none"> Guide educational policy and ensure consistency across institutions. Auditing and oversight University placement for student registration
3	Students	<ul style="list-style-type: none"> Students' academic reports 	<ul style="list-style-type: none"> MoE 	<ul style="list-style-type: none"> Ensure a smooth and efficient process for students to apply for University /TVET programs (through KUCCPS)

Table 10: Non-Financial Data Flows for Universities/TVETs

4.3.4: INTEGRATED FINANCIAL AND NON-FINANCIAL INFORMATION FLOWS: UNIVERSITIES/TVETs

- Universities and TVETs, through their governing councils and university management, generate comprehensive integrated annual reports. These reports are shared with the MoE and, if relevant, with development partners.
- The MoE generates an integrated national education performance report which provides a holistic view of the educational landscape. The Ministry shares these reports with the National Treasury to inform policy decisions and facilitate effective planning and resource allocation. The Ministry also shares consolidated reports on program reports with DPs so as to align their support with educational goals and track the overall impact of their initiatives.
- The Kenya Universities and Colleges Central Placement Service (KUCCPS) helps coordinate student application and placement at the universities, and TVETs. Reports are generated from here by the MoE and the Universities/TVETs.
- The National Treasury generates comprehensive budget reports and financial summaries based on the information received from the MoE. These reports are shared with the Parliament to ensure effective allocation, approval, and monitoring of funds within the education sector.
- The OAG conducts comprehensive audits that cover both financial and non-financial aspects of the universities and TVETs. The draft reports are sent to the Parliament and the Principal Secretary in charge of Universities and TVETs.
- Parliament reviews and approves budget requests. They also review and approve audit reports which are then sent to the University/TVET through the Principal Secretary.

S/N.o	Generated by	Report Transmitted	Sent to	Purpose
	MoE	<ul style="list-style-type: none"> National education performance and financial reports Budget Estimates Consolidated reports on program performance 	<ul style="list-style-type: none"> National Treasury Development Partners 	<ul style="list-style-type: none"> Inform policy decisions, facilitate effective planning and resource allocation, align support with educational goals. Monitor and evaluate progress, impact, and effectiveness of supported programs and projects
	National Treasury	<ul style="list-style-type: none"> Comprehensive budget estimates 	<ul style="list-style-type: none"> Parliament 	<ul style="list-style-type: none"> Ensure effective allocation, approval, and monitoring of funds within the education sector
	OAG	<ul style="list-style-type: none"> Draft comprehensive audit reports 	<ul style="list-style-type: none"> Parliament, Principal Secretary 	<ul style="list-style-type: none"> Ensure overall compliance and accountability in all aspects of the sector's operations
	Parliament	<ul style="list-style-type: none"> Final consolidated audit report 	<ul style="list-style-type: none"> MoE 	<ul style="list-style-type: none"> Ensure corrective action is taken where there are audit queries

Table 11: Integrated Financial and Non-Financial Information Flows for Universities/TVETs

Overall and as exemplified by this section, the data flowing internally to MoE and between MoE and other institutions is primarily the same data but at different levels aggregation. Financial and non-financial information is gathered from institutions such as schools or universities, but at different levels of aggregation. Oftentimes, it is difficult to pinpoint the origin of the data because of the level of aggregation as the data is further up the reporting hierarchy. Furthermore, as indicated in section 3.4, the data systems are not integrated and as such reporting becomes tedious with a lot of duplication. This reduces efficiencies within the sector.



5

INTEGRATION OF FINANCIAL AND NON-FINANCIAL INFORMATION

Analysis of Flow and Integration of Financial and Non-Financial Data in the Education Sector in Kenya

EXPERTISE GLOBAL IDinsight





KEY TAKEAWAYS

- Integration of data in reports is limited with no in-depth analysis of how expenditures affect outcomes and budgets and vice versa. Hence, it is difficult to evaluate programs on value for money, efficiency, and effectiveness.
- Audit reports provide better integrated analysis but are limited in scope and breadth due to capacity constraint of the OAG
- The different reports from different MoE systems and institutions do not inform each other and are created in silos.
- Systems for access to information are burgeoning across ministries and across purposes – whereas one consolidated system for all may be more efficient and effective. Development of a system called Kenya Education Management Information system (KEMIS) is underway – though its data reach is yet to be fully defined.
- Funding allocation to MoE other than capitation is not based on analysis of outcomes and vice versa; it is more intuitive and based on sector ceilings and political economy. For example, the budget allocation for recruitment of additional teachers is not based on the existing CBE deficiency in the TIMS or NEMIS, nor on the performance of learners in national exams. It is determined by the available allocation for the given year.
- Cross regional or cross institutional performance analysis to draw out lessons learned on how to maximize outcomes is not undertaken.
- On a positive side, the institutions under MoE are synchronized in such a way that sector reports from each learning institution are submitted to SCDE and to the county education offices within the same period. This enables the county authorities to have a clear picture of situations in each region.



4. INTEGRATION OF FINANCIAL AND NON-FINANCIAL INFORMATION

The education sector has a plethora of systems that collect data. However, it is not sufficient to only gather data; one has to use the collected data to develop insights that allow stakeholders to address the most pressing needs first, and in a way that achieves the overall objectives of the sector. Analysis of the data (financial and non-financial) flows can enable policymakers to better allocate resources for specific outcomes. Furthermore, it can allow policymakers to target specific outputs and outcomes related to the ongoing socio-economic and environmental context – for example, when there were targeted interventions needed during the COVID-19 outbreak. This section assesses how this data is integrated or analyzed to generate insights.

Based on the reports described in the previous section, while integrated analysis is happening, it is limited in several ways. Key informants identified distrust between ministries and state departments as limiting their ability to share data effectively. For example, not allowing access to their data systems. It is unclear where this distrust comes from or what is causing it. However, discussions. Moreover, there is a tendency for different MDAs to create their own systems – many of which collect the same data – instead of creating one system that all MDAs and counties can use. Nevertheless, informant interviews further detailed that a new system to capture education data from ECDE all the way to tertiary education is being developed – the Kenya Education Management Information System (KEMIS). Hopefully, this may address some of the issues around lack of integration. Informant interviews also revealed that there is no direct link between financial and non-financial information.

A review of the Kenya Economic Survey³⁶ by KNBS shows that even though information is integrated, it may not produce clear pathways to resolve emerging challenges or take advantage of opportunities in the following years. For example, the 2020 Economic Survey provided key outcome developments in the MoE, including that the number of primary schools and secondary schools declined by 14.7 percent and 8.2 percent, respectively, in 2019. However, there is no additional information provided as to why they decreased. Did they decline because they were shut down due to the COVID-19 pandemic? Or because they had no students? Or for some other reason? Each reason might need a different intervention to address the challenge. For example, if they were shut down, it may mean that the students that used to attend the school now need to go to other schools, and capitation stays the same; but if they were shut down because there were no students, financing for that school can be deployed to other education priorities. Similarly, the report says that enrolment in primary schools declined by 4.5 percent. Is this finding related to the decline in primary schools? Or does it mean that more students attended that did not have birth certificates? Again, each reason may need a different intervention to address it. These reasons are not explicitly provided, making it difficult for financing to be adequately targeted in subsequent years and to resolve issues faced by schools.

36 - KNBS: Economic Survey 2020: https://www.treasury.go.ke/wpcontent/uploads/2021/07/PBB_July2021_Approved.pdf



The MoE Department of Planning uses the Economic Survey to inform their work. Still, it does not push for further analysis to answer the ‘so what’ of the statistics presented in the Survey. In conversation with key informants, the MoE Department of Planning uses the statistics provided by KNBS in the survey for their internal analysis but does not go a step further to enquire about why the trends are moving in the way they are (as per the earlier examples for instance, the decline in the number of primary and secondary schools). No clear reason was given as to why the demand for more detailed information is low.

The PBBs present similar unsupported information, making it difficult to understand how outlined budget investment areas were arrived at. The narratives in the PBBs under the education votes highlight the key challenges in the sector and how the budget is addressing each area. However, how the performance targets related to budgetary allocations are arrived at is unclear. Indeed, even the data in the Economic Survey and the PBB do not demonstrate alignment. The PBB for the year 2020/21 states that it is working to facilitate the opening up of schools and has invested resources in the expansion of primary and secondary schools. Clear and defined reasoning behind allocations in response to outcomes is lacking. In addition, how the performance targets were arrived at is unclear.

Key informant interviews at the National Treasury highlight the challenges of PBB as follows:

1. The PFM Act requires that budgets be prepared by program and vote. However, reporting and budget monitoring is largely by vote hence less clarity and sourcing on program outcomes. The external audit is largely done by vote. Though the government budgets by programmes, the budget documents and the accounting system must be programme-friendly, which currently are not. There is a need to be able to effectively monitor and report on expenditures program by program during the year to ensure that program expenditure authorizations are not exceeded and are in line with outcomes.
2. The national budget is prepared per state department, translating into approximately 83 votes. This presents a challenge in implementing monitoring and evaluation (M&E) without strong and resourced M&E frameworks in place to track and report against PBB performance targets. As noted by a key informant “This is a monumental task.”
3. Currently, the key performance indicators are captured in the PBB under each sub-program and there is a budget allocated to the sub-program. It is currently not possible to track key performance indicators against the sub-program in the Standard Chart of Account (SCOA) in the IFMIS. This makes it difficult to track the actual expenditure by sub-program against these key performance indicators. It is expected that the revised SCOA will consider non-financial indicators. Further to this, NIMES and CIMES are not linked to the IFMIS to facilitate integrated reporting and analysis.

The Budget Departments at the National Treasury rely on the MoE to provide the relevant targets for the annual PBB, but whether the reasoning behind the targets linked to the allocations is strong is in question. Indeed, the MoE sends integrated reports to the National Treasury to support their budget requests; but whether these have been translated into the identified targets is unclear. Informant interviews indicate that supplementary budgets further adjust allocations and targets, and as such there are various discrepancies. However, this further creates a case for stronger dynamic analytical frameworks linking targets with allocations.

Financial Data	Amount (Ksh)	Allocation Purpose	Key Rhetorical question
2022/2023 Budget Allocation	Ksh.513 billion	Construction of classes for junior secondary (transition to CBC)	How many classes are there, in how many schools, and how many students per class? What is the finding that led to the decision to build classes?
		Recruitment of teachers (Ksh.2.5 billion)	How many teachers? How are they distributed? Was this based on a shortage of teachers?
		Examination waivers for grades six, seven, and eight (Ksh.5 billion)	What was the number of candidates? Were examiners factored in? Why did they need waivers?
		Training of teachers on the new Competency Based Education Curriculum (Ksh1.2 billion)	Was it based on the number of teachers who needed training?
		Teachers' Service Commission (Ksh294 billion)	What informed this allocation? What is being undertaken this year with the TSC and why?
		Higher Education Loans Board (HELB) (Ksh15.8 billion)	Is the fund based on number of applicants? or applicants are allocated according to the money available?
		University Education (Ksh91.2 billion)	Is it based on need or is the university sector allocated whatever is available to share amongst the universities?
		Additional infrastructure for primary and secondary schools (Ksh2.8 billion)	Is it based on need or are schools allocated whatever is available to share?
		Construction and equipping of Technical Training Institutes and Vocational Training Centers (Ksh1.8 billion)	How many to be constructed? What equipment were targeted? Based on which curriculum?
2023/2024 Budget Allocation	Ksh.628.6 billion	Expected to build on outcomes from the previous year's expenditure	How did the government decide to allocate KShs 628.6 billion to MoE? Based on which data or needs?
		Increase of Kshs 84 billion from the previous year	What was the justification for the increment?

Table 12: Emerging gaps in analysis on review of the 2022/23 and 2023/24 MoE Budget

Source: PBBs for 2022/23 and 2023/24

Key informant Interviews reveal that the allocation of funding is more benevolent and intuitive and based on funds availed to the MoE, than objective. Budgeting is based on a budget circular from the National Treasury that has clearly stated sector ceilings. The Budget Office oftentimes works with these aggregate ceilings rather than the minutiae of details of allocation. Despite the Budget Office receiving a lot of backup non-financial information to back allocation requests, it is often not possible to deeply interrogate each sector's reports to justify and enhance allocation. However, if the MoE invested in key analysis that was simple and easy to understand and linked outputs and outcomes to allocations, the Budget Office may be better supported to enhance allocations despite ceilings in place.

The same can be said about the supplementary budget process. Providing compelling but simple-to-understand analytical evidence for budget enhancement over the supplementary budget process may yield better results. A key complaint highlighted by key informant interviews was that MDAs expect the Budget Office to digest large reports to make their budget allocations. This is not only impractical given the budget timeframes, but it also assumes that allocations are based only on sectoral needs. In reality, while the needs in each sector are primary, the ruling regime's resource constraints and political focus also play in strongly. On other hand, holding MoE institutions accountable for projects that are incomplete can be difficult where there are budget cuts over the supplementary budget process; through using existing data, this can be demonstrated.

It should be noted that budget allocation is a zero-sum game, and that one shilling allocated to one sector means a shilling not allocated to another. As such a careful balance of allocation and prioritization has to be made. Therefore, even in the case that clear and informed analysis is made for the Education sector, it may not get its full allocation request. But that notwithstanding, in the situation that the Education sector was well evaluated given data available, MoE can still efficiently reprioritize its budget informed by data demonstrating what they can undertake given a high, medium, and low relative budget allocation.

Similarly, the Education Sector Report does not go far enough in interrogating identified issues such as value for money, efficiency, and equity. As exemplified in Box 2 the survey shows aggregate increases are provided alongside more specific outputs within the education sector. However, a further step is not taken to interrogate per capita allocations vs student performance, differentials in performance across regions, or learning outcomes like numeracy and literacy, and personality traits. For the scenarios presented in Box 2 below, the emerging questions are: did the increase in the education budget directly affect enrolment? In what ways were these finances invested that resulted in the increase in enrolment? Did the transition of grade 6 students to grade 7 reduce enrolment numbers? Is there a particular intervention over this period to ensure enrolment remains constant or grows steadily? How is investment in special needs children per capita different from investment in non-special needs children? Do we have enough financing for special needs teachers to cater for special needs children's increase in enrolment? The report does not provide details. Further, key informant interviews reveal that this depth of analysis is not done.

The Sector Working Group produces the Education Sector Report that is required to be detailed, but it lacks adequate analysis as regards the relationship between financial and non-financial parameters. Similar to the Economic Survey and the PBB, while financial and non-financial data is integrated into one report, this information is not analyzed in relation to one another. It was further noted in a key informant interview that this depth of analysis is not expected despite there being a significant amount of data to undertake this analysis. Further reasons given were that the data is not accurate and thus may give erroneous results and that there were political economy constraints around announcing results of analysis that did not match declarations by politicians .

During the FY 2020/21 - 2022/23 Medium-Term Expenditure Framework (MTEF) period, the approved total budget for education increased by 16%. This was a KShs 78.5 billion increase in nominal terms from KShs 489.4 billion to KShs 567.9 billion. Over the same period, the recurrent budget rose by 13.7%, while the development budget decreased by 41.7%. Total expenditure over the period grew by 15.61%: recurrent expenditure increasing by 14.7% and development expenditure increasing by 42.5%.

Several achievements were realized during this period. Enrolment in public primary schools grew by 3.0% from 8,592,810 in FY 2020/21 to 8,849,268 in FY 2021/22, before declining by 8.2% to 8,123,952 in FY 2022/23. This has been attributed to the transition of grade 6 learners to junior secondary school in grade 7. Furthermore, enrolment of learners with special needs increased from 132,466 in FY 2020/21 to 146,313 in FY 2022/23. The government supported all learners in public primary schools through capitation under the free primary education programme. Additionally, enrollment in public secondary schools increased from 3,289,885 to 3,690,376, representing a 12.17% growth.

In parallel with basic education trends, combined enrollment in public and private universities rose by 11.72%, from 571,510 in FY 2020/21 to 638,479 in FY 2022/23. This surge in university enrollment led to an increased demand for student loans, with the number of undergraduate loan recipients climbing from 229,727 in FY 2020/21 to 244,552 in FY 2021/22, before slightly declining to 228,453 in FY 2022/23.

The education sector bolstered its workforce by hiring 5,000 teachers in both FY 2020/21 and FY 2021/22, and 13,000 teachers in FY 2022/23, respectively. Additionally, 8,000 intern teachers were recruited in FY 2020/21, 4,000 in FY 2021/22, and a substantial 22,000 in FY 2022/23, respectively. To support curriculum implementation, 42,564 teachers were promoted to various positions. Moreover, 148,819 teachers received training on CBC reforms, and 145,300 teacher files were digitized, making a total of 356,321 files accessible online.

Source: Education Sector Report 2023/24

Audit Reports on the other hand provide much more detail on the aspects around efficiency and value for money in public service provision. In the financial year 2020/21, audit reports provide a much deeper analysis that interrogates how expenditure links to outputs. For example, an extract from the Audit Report for Education notes “Two (2) schools that submitted funding applications had requested Kshs.6,141,272 and Kshs.4,172,056 respectively but they were awarded Kshs.10,000,000 each. There was no justification for the enhanced disbursement as no approved Bills of Quantities and building plans were provided by the applicant” and another states “[The Project’s] final budget for the year under review totaled Kshs.1,175,000,000 and actual expenditure totaled Kshs.766,078,770 resulting to an under-expenditure of Kshs.408,921,230, equivalent to 35% of the budget. The under-absorption of the approved budget meant that many of the Project’s activities planned for the year were not implemented. As a result, attainment of the Project’s goals may not be possible.” Indeed, further details as to the outputs based on a higher allocation to the schools, or how project activities were not completed, and how this affected the project would have been helpful. This is the closest report reviewed that had an actual evaluation of key service delivery parameters.

Nevertheless, the level of detail provided in the Audit Reports is limited given that the OAG is unable to audit all basic education institutions. As noted earlier, the OAG has limited capacity and ‘boots on the ground’ to undertake a comprehensive audit of all basic education institutions even though it has a mandate to do this. The DSA has more capacity, but key informant interviews noted that it was unclear whether the school’s audit covers the same review areas as the OAG audit would and if there was scope for collaboration. However, because the Auditor-General’s reports frequently highlight significant discrepancies in public spending, there is tension between the auditing body and various governmental departments. This is seen in the consistent uncovering of financial irregularities and misappropriation of funds, leading to defensive reactions from the implicated entities. For example, in 2021/22, an audit of the school infrastructure program revealed irregularities in the use of funds. This prompted a defensive response from the ministry, which contended that the audit findings were exaggerated and did not reflect the on-ground realities. The MoE emphasized the logistical and operational challenges in implementing such a wide-reaching program, which they argued were not adequately considered by the auditors. However, with no detailed analysis provided using integrated data, these claims from both sides remain unresolved.

As reported by the Intergovernmental Relations Technical Committee (IGRTC) the coordination between County functions and National functions is also not streamlined.³⁸ Counties deal primarily with ECDE and village polytechnics and provide bursaries for students attending schools in their jurisdictions. As reported in the Kenya Integrated Early Childhood Development Policy Framework 2021, the linkages between National and County governments in the delivery of their functions are limited and opportunistic (for example sharing the same grounds), primarily because there is no coordination structure. This can also be seen horizontally across related institutions. For example, key informant interviews noted that many children do not have a birth certificate and cannot be registered in NEMIS, and this challenge begins from an education standpoint at ECDE level. Counties could have supported the resolution of this challenge alongside MoE and the Ministry of Interior and Coordination of National Government within a coordination structure if this was available to them.

The OCoB reports, similar to the Education Reports and the Economic Survey, merely reports financial and non-financial information in the same report without actually integrating the data. In each MDA reviewed, one section lists the financial data, and a separate section outputs and outcomes are listed. This results in the same challenges highlighted earlier in terms of lack of depth of an integrated analysis to show efficiency, value for money, and equity. OCoB’s mandate on budget oversight is therefore delivered only to a very basic degree of analysis. OCoB in informant interviews attributed this to the limited capacity of their staff. OCoB are in the process of developing a system that will support the gathering and analysis of data – however this system is not directly linked to IFMIS at least from the initial stages of roll out. Develop of this system demonstrates that OCoB understands its limitations and is investing in more detailed analysis.

Although, a review of the regional performance of schools to provide lessons on how to address challenges and improve performance across jurisdictions could provide useful insights it is not undertaken. From key informant interviews, there was a clear resistance to the concept of comparing the performance of different schools in different regions as there was a resistance to ‘ranking’ and ‘comparisons between schools’ following the MoE directive in 2012.³⁹ Informant interviews also indicated that different schools and regions do not evaluate why there are differentials in performance, even when capitation is standardized for every student across the country. Any differences in performance are attributed broadly to geography, the rural/urban divide and other external factors, rather than how finances are deployed in each school or region. Whether the existing education systems provide reporting frameworks disaggregated by school region is not clear. It was indicated that this type of regional comparator would be of interest to institutions such as the Council of Governors, which engage in county ranking of performance against various parameters, including the collection of own source revenues.

39 - GoK: MoE: Task Force on The Re-Alignment of The Education Sector to The Constitution of Kenya 2010: Towards A Globally Competitive Quality Education for Sustainable Development, 2012



6

INSTITUTIONAL INTEREST IN FURTHER ANALYSIS OF INTEGRATED INFORMATION

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BASED ON THE ISSUES RAISED IN THE PREVIOUS SECTION, AN ASSESSMENT OF STAKEHOLDERS WHO WOULD BENEFIT FROM DEEPER INTEGRATED ASSESSMENTS ARE AS FOLLOWS:

Institution	Interest based on mandate
Boards of Management/University Councils	Promotion of the best interest of the teaching institutions (Section 58 Basic Education Act). Key analyses of interest: <ul style="list-style-type: none"> • Efficiency of resource use (infrastructure, staff, and materials) and student performance (reducing cost and maximizing value)
County Departments of Education	Promotion of ECDE and Polytechnic/Craft Center performance. Key sample analyses of interest: <ul style="list-style-type: none"> • Enrolment rates and trends over the years. Linkages with health information on births • Transition rates to primary schools. • Resource sharing ratios with primary schools
OAG	Compliance/Performance/Financial Audit success. Key sample analyses of interest: <ul style="list-style-type: none"> • How have the MDAs, counties and education institutions implemented their planned activities as compared to planned/budgeted expenditure?
OCoB	Budget compliance. Key sample analyses of interest: <ul style="list-style-type: none"> • Linkages of funds disbursed, budget allocation, and outputs/performance achieved vs target. • Ratios comparing disbursement vs achievement of project objectives
Treasuries (National and County)	Budget formulation and execution. Key sample analyses of interest: <ul style="list-style-type: none"> • Value for money estimates on how to maximize impact and minimize costs
TSC	Teacher effectiveness. Key sample analyses of interest: <ul style="list-style-type: none"> • Professional development spending and improved teaching outcomes • Teacher performance by region and related costs
Parliament	Oversight of budget execution and budget approval <ul style="list-style-type: none"> • Efficiency of expenditure over project outcomes • Reduction of budget and increase in outcomes. • Limited supplementary budgets
Education Sector Planning Departments	Long term planning. Key sample analyses of interest: <ul style="list-style-type: none"> • Trends in performance and effectiveness/efficiency based on expenditure

TABLE 13: STAKEHOLDERS WHO WOULD HAVE AN INTEREST IN DEEPER ANALYSIS OF INTEGRATED INFORMATION



7

OUTLINE OF EMERGING ISSUES AND THEORY OF ACTION

Analysis of Flow and Integration of Financial and
Non-Financial Data in the Education Sector in Kenya

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7. OUTLINE OF EMERGING ISSUES AND THEORY OF ACTION

7.1 EMERGING ISSUES

Based on the study, the following are the emerging issues:

1. The policy and legal framework for the Education Sector does not clearly provide accountability structures on which education entities are directly responsible for the performance in the sector. This is because there is no specific law that demands accountability from teachers on the performance of their students.
2. BoMs have limited capacity to enforce performance outcomes in their schools unless it is through use of their political/lobbying capabilities. This is because the accountability for many measures of performance held by the schools lies in institutions outside the schools.
3. The OAG have limited capacity to undertake audits across all schools as they are mandated to do, yet they do not coordinate with the DSA who have the capacity to do so.
4. Education information systems and processes are not integrated, and the reports generated separately are difficult to collate.
5. The data collected and reported between the key institutions is the same but reported at different levels of aggregation. Reporting tends to lose specificity and detail as it is aggregated up to the MoE headquarters.
6. Integration of data in reports is limited with no in-depth analysis of how expenditures affect outcomes and budgets and vice versa. This limits accountability on value for money, efficiency, and effectiveness.
7. The different integrated reports from different systems do not inform each other and are created in silos.
8. Systems for access to information are burgeoning across ministries and purposes – whereas one consolidated system for all may be more efficient and effective.
9. Cross-regional or cross-institutional performance to draw out lessons learned on how to maximise outcomes is not undertaken.

A] THEORY OF ACTION

To address these issues, the following Theory of Action is proposed.

Based on the study's findings, we have identified challenges and proposed interventions to address them, with the aim of improving outcomes in the education sector.

IDENTIFIED CHALLENGE	PROPOSED INTERVENTION	TARGETED OUTCOMES	PROPOSED RESPONSIBLE ACTORS
<p>The Education Sector's policy and legal framework does not clearly provide accountability structures on which education entities are responsible for the sector's performance.</p>	<p>Engage and consult all votes heads under the MoE and consult, discuss, and engage the leadership on harmonizing the legal framework.</p> <p>Once consensus is built, put a task force in place to harmonize the policy and legal frameworks ensuring clear mandates and lines of accountability. We understand there are bills being developed in this regard and will seek to understand when they are brought out for public consumption.</p>	<p>Clear policies that underscore the desired impact of the education sector and what the framework to guide how the impact will be achieved.</p> <p>Clear, distinct, and collaborative legal framework that reduces overlap and misalignment on institutional mandates of the different votes and entities.</p>	<ul style="list-style-type: none"> • MoE • Kenya Law Reform Commission (KLRC) • IGRTC
<p>BoMs have limited capacity to enforce performance outcomes in their schools unless it is through use of their political/lobbying capabilities.</p>	<ul style="list-style-type: none"> • Build oversight capacity of the BoM, especially clarity of the roles of the various institutions in charge of resource provision at the County for them to engage effectively. • Strengthen the analytical arm of the BoM to determine how efficiently and effectively funds are being used. • Provide enforcement parameters on legal oversight by the BoM over school performance. 	<p>BoM with ability to directly affect outcomes of the school.</p> <p>Schools with greater institutional information about resources and performance</p>	<ul style="list-style-type: none"> • BoM • CEBTSC • KLRC

IDENTIFIED CHALLENGE	PROPOSED INTERVENTION	TARGETED OUTCOMES	PROPOSED RESPONSIBLE ACTORS
<p>The OAG has limited capacity to undertake audits across all school institutions as they are mandated to do.</p>	<p>Review existing schools' audits to determine the categories of challenges experienced. Consult with DSA on their role and experience in schools' audit.</p> <p>Carry out pilot audits in key basic education schools to determine needs and capacity needed.</p> <p>Develop relevant frameworks to undertake audit for basic education institutions that interrogate performance in depth.</p> <p>Formulate a roll out strategy to increase OAG audit capacity for schools.</p>	<p>Audit of all basic education institutions.</p> <p>Audit feedback based on detailed analysis of all information available from the analytical arm of the BoM.</p>	<ul style="list-style-type: none"> • OAG • DSA • BoM
<p>Education information systems and processes are not integrated, and the reports generated separately are difficult to collate.</p>	<p>Undertake an audit of all MoE state departments to understand what systems they use and gather what information.</p> <p>Consult with the leadership on what areas of collaboration and integration the different systems can provide.</p> <p>Discuss the option of creating one super system with all the information – KEMIS could be the starting point.</p> <p>Consult with other MDAs whose systems can also be integrated – like IFMIS with the National Treasury and NIMES/CIMES.</p>	<p>An integrated network of education systems that can provide different tailored reports to different entities in MoE.</p> <p>Ultimately, a single system where all education information is stored and can be queried for reporting purposes.</p>	<ul style="list-style-type: none"> • MoETSC • Ministry of ICT (MoICT) • National Treasury • Ministry of Planning

IDENTIFIED CHALLENGE	PROPOSED INTERVENTION	TARGETED OUTCOMES	PROPOSED RESPONSIBLE ACTORS
<p>The data collected and reported between the key institutions is the same but reported at different levels of aggregation. Reporting tends to lose specificity and detail as it is aggregated up to the MoE headquarters.</p>	<p>Ensure all data is stored digitally by removing manual reporting. Once all data is digital, it can be aggregated at any level of specificity with the right reporting framework.</p>	<p>Data that can be analysed at any level of aggregation from individual schools to regions and others.</p>	<ul style="list-style-type: none"> • BoM • QASOs • CEBs • MoE Planning Dept • TSC • OAG • DSA
<p>Actual integration of data is limited with no in-depth analysis of how expenditures affect outcomes and budgets and vice versa. This limits evaluations on value for money, efficiency, and effectiveness,</p>	<p>Provide capacity building for researchers, data collectors, monitoring and evaluation specialists on data analysis methodologies that are relevant for MoE.</p> <p>Ensure developed analytical frameworks can also be uploaded into the digital systems at MoE especially if the systems are integrated.</p>	<p>More targeted analysis uncovers key areas of intervention to enhance outcomes in the sector.</p>	<ul style="list-style-type: none"> • MoE Planning • KNBS • KIPPRA • M&E
<p>The different integrated reports do not inform each other and are created in silos.</p>	<p>Engage all research organizations in MoE and engage on research parameters, data access, and collaboration frameworks between institutions.</p> <p>Allow research organizations access the digital data collection systems to support their analysis and to have uniform data sources.</p>	<p>Harmonized data sources, with data that is official and established leading to research documents that reinforce one another.</p>	<ul style="list-style-type: none"> • MoE Planning • KIPPRA • KNBS • Universities and other research organizations

IDENTIFIED CHALLENGE	PROPOSED INTERVENTION	TARGETED OUTCOMES	PROPOSED RESPONSIBLE ACTORS
<p>Systems for access to information are burgeoning across ministries and across purposes – whereas one consolidated system for all may be more efficient and effective.</p>	<p>Work with Ministry of ICT to have a whole government engagement or workshop to discuss what systems collect what data and how it can be made available to any government institution with the requisite permissions to access it.</p> <p>Create a task force or committee that will manage this data full-time. This entity will also oversee identifying and collating data sources for analysis.</p>	<p>Availability of data from a uniform trusted and independent system whose data collection and management structures are trusted.</p>	<ul style="list-style-type: none"> • MoICT • MDA Planning Departments • OCoB • IGRTC
<p>Cross regional or cross institutional performance to draw out lessons learned on how to maximize outcomes is not undertaken.</p>	<p>Build analytical capacity for cross- regional and cross-institutional financial and performance assessment.</p> <p>Establish frameworks in the ICT systems to undertake cross sectional analysis.</p> <p>Work with Council of Governors (COG) to create products that regularly share comparative results of different regions and assess how different regions can learn from one another.</p>	<p>Peer-to-peer learning structures for outcome enhancement for learning.</p>	<ul style="list-style-type: none"> • CoG • MoE Planning • MoICT



8

CONCLUSION

Analysis of Flow and Integration of Financial and Non-Financial Data in the Education Sector in Kenya

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8. CONCLUSION

The study objective was to understand the flow of financial and non-financial data, the systems involved and the areas of integration between financial and non-financial data. Further, the study aimed to understand the accountability mechanisms for public sector resources.

There were significant findings including; clarity of financial data flow from institutions, and counties up to National level Institutions as guided by PSASB. There is however a limitation in non-financial data flows in that it is not standardized. Several systems are employed in this data flow, but they operate in silos. The two data sets integrate at various points including program-based budgets, resource allocation and in various reports albeit with limitations.

The legal and policy frameworks create an accountability framework for education sector especially management of financial resources. These institutions including parliament, county Assemblies, Accounting officers, boards of management, Councils of universities and TTVETs as well as the OAG and the Office of the Budget.

Accountability for education outcomes is not clear in that that responsibility is spread between MoE, TSC and BOM. Education outcomes are affected by various factors, including resources and host community characteristics; hence difficult to monitor. Accountability mechanisms can be enhanced by capacity support, especially to BOM, councils and County education boards. The MoE should develop a clear model for resource allocation. Further, a clear mechanism for monitoring education outcomes would be appropriate.

In summary, there are three overarching main areas of intervention:

- The legal framework establishing accountability is crowded, hence it is difficult to enforce or administer.
- There is a significant amount of data in the education sector, but it is contained in different siloed systems.
- The education sector has created data integration points, but it falls short of synthesizing useful and targeted information on performance.

Once these three areas are broadly resolved, information utility within the sector will increase significantly.

8.1 RECOMMENDATIONS ON THE EMIS

Our work yielded many rich insights on the potential of an education information management system (EMIS) to contribute to streamlining operations, enrolments and management of learning outcomes within Kenya's education system. To actualize this potential, however, calls for the creation of an enabling environment and greater collaboration among diverse stakeholders. We offer specific recommendations below for consideration by the Ministry of Education, Science and Technology (MoEST).

The following are essential to create a functional, user-friendly and appropriate EMIS.

- The MoEST should build an EMIS that can collect, analyze and provide systematic, comprehensive, high-quality data to facilitate decision-making and policymaking. The MoEST should also ensure optimization of the usability of the collected data. Further, this data should be seamlessly integrated from various databases into one cohesive EMIS.
- The MoEST's EMIS should provide accurate, accessible and near-real-time data on key education system parameters, including
 - i. Student enrolments
 - ii. Attendance,
 - iii. Educational performance and learning outcomes
 - iv. Student health
 - v. Teacher characteristics, including performance ratings, and
 - vi. Resources required to attain set educational sector goals.

These parameters should be tracked periodically and systematically, e.g. once per term. The current siloed approach of gathering and managing data should give way to one of collaborative sharing of data.

- The MoEST's EMIS should facilitate evidence-based and data-driven management practices, expenditures and investments at school, sub-national and national levels. An EMIS policy, once in place, can provide a robust policy framework to facilitate this. The EMIS policy should guide data collection, processing and dissemination.
- The MoEST and other line ministries should engage in advocacy and awareness campaigns among education sector stakeholders and the general public to promote the EMIS, its functionalities and benefits.
- With the implementation of these recommendations, Kenya will be well on its way to streamlining education sector operations, management and resourcing to ensure Kenyan learners achieve the envisaged learning outcomes.



9

ANNEXES

Analysis of Flow and Integration of Financial and Non-Financial Data in the Education Sector in Kenya

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ANNEX 1: INTERVIEWS UNDERTAKEN

NATIONAL GOVERNMENT		
Targeted Institution	Department/roles to interview	Status
National Assembly	National Assembly Education Committee	Completed
National Treasury	Budget, Fiscal and Economic Directorate	Completed
	Directorate of Planning and Policy Affairs	
Ministry of Education	Economist	Completed
Teacher Service Commission	Director ICT	Completed
	Deputy Director Finance and Accounts	
The Office of the Controller of Budget, Kenya	Research and Budget Implementation Department	Completed

COUNTY GOVERNMENT		
Targeted institution	Department/roles to interview	Status
Nairobi County	County TSC Regional Director	Completed
	Director of Education	
	Assistant Director of finance, Accountant in Education sector	
Nakuru County	Deputy Director Finance	Completed
	ECDE County Director	
	ICT Nakuru County	
	TSC Director	
Kilifi County	Head of accounting in Department of Education and ICT	Completed
Trans Nzoia County	County Chief Officer- Education and Vocational Training	Completed
National Assembly	National Assembly Education Committee	Completed

DEVELOPMENT PARTNERS		
Targeted institution	Department/roles to interview	Status
UNICEF	Social Policy	Completed
USAWA Agenda	Executive Director- Dr Manyasa	Not available for an interview due to a busy schedule

ANNEX 2: LIST OF EDUCATION SECTOR SEMI-AUTONOMOUS GOVERNMENT AGENCIES (SAGA)

NO	SAGA	MANDATE
1	Kenya Institute for the Blind	To provide services in the education of learners and trainees with visual impairment
2	School Equipment Production Unit (SEPU)	To design, fabricate, manufacture, and distribute science materials and apparatus to schools
3	Kenya Institute of Curriculum Development	To conducts educational research and develop, review, vet and approve local and foreign curricular and curricular support materials for use in all levels of education and training in Kenya except the University.
4	Kenya National Examinations Council (KNEC)	To oversee administration of primary, secondary and tertiary examination on behalf of the Government.
5	Kenya Education Management Institute (KEMI)	To operate as an educational advisory, consultancy and act as a resource center for the sector.
6	Kenya Institute of Special Education	To train teachers and other stakeholders in special needs education.
7	Jomo Kenyatta Foundation	To publish educational books for all levels of education.
8	Kenya Literature Bureau	To publish learning and teaching materials for educational institutions at all levels
9	Centre for Mathematics, Science and Technology in Africa	To build teachers' capacities to enable them cope with the pedagogy-related challenges they face in the process of curriculum delivery in the area of mathematics, science and technology education.
10	Kenya National Commission for UNESCO	To address the plight of marginalized children and youth in the country.
11	National Council for Nomadic Education in Kenya (NACONEK)	To advise the Cabinet Secretary, the department of education and related departments on policy matters
12	National Education Board	To develop and deliver quality experimental activities that imparts positive life skills and ethical values to young people for a better society

13	President's Award Kenya	To promote access and equity to relevant and quality technical and vocational education and training by regulating, inspecting, registering and licensing institutions and programs.
14	Technical and Vocational Education and Training Authority (TVETA)	To promote access and equity to relevant and quality technical and vocational education and training by regulating, inspecting, registering and licensing institutions and programs.
15	TVET Funding Board (TVETFB)	To mobilize and manage financial resources for the purposes of TVET.
16	TVET Curriculum Development, Assessment and Certification Council (TVET CDACC)	To design, develop, assess and certify competency-based curriculum in TVET.
17	Kenya National Qualifications Authority (KNQA)	To establish and regulate a National Qualifications System, based on a National Qualifications Framework (NQF).
18	The Kenya Engineering Technology Registration Board (KETRB)	To set standards for engineering technologists and technicians, register and issue licenses to qualified persons as per the provision of the Act.
19	National Commission for Science, Technology and Innovation (NACOSTI)	To regulate and assure quality in the science, technology and innovation sector and advise the government in related matters.
20	Kenya National Innovation Agency (KENIA)	To develop and manage the National Innovation System.
21	National Research Fund (NRF)	To mobilize and channel resources for research, science, technology and innovation.
22	Biosafety Appeals Board (BAB)	To make rules and regulation for appeal procedure, hear appeals from persons aggrieved by decisions made by the National Biosafety Authority (NBA), and communicate decisions to the parties involved and public.
23	Higher Education Loans Board (HELB)	To source for fund and finance Kenyan students enrolled in recognized institutions of higher learning. The Board also has the mandate of recovering all mature loans issued since 1974.
24	Commission for University Education (CUE)	To accredit and quality assure university education in both public and private universities.
25	Universities Funding Board (UFB)	To mobilize resources for financing university education.
26	Kenya Universities and Colleges Central Placement Service Board (KUCCPS)	To coordinate placement of Government sponsored students into universities and colleges.
27	Universities and Constituent Colleges	To provide university education.
28	National Polytechnics	To train technicians and technologists.
29	National Bio-Safety Authority	To exercise general supervision and control over the transfer, handling and use of genetically modified organism.
30	The Kenya National Academy of Sciences (KNAS)	To provide evidence-based advice to the Government and represent the Country at International scientific bodies.

ANNEX 3: LIST OF EDUCATION SECTOR STAKEHOLDERS

NO.	STAKEHOLDERS	ROLE
1	Ministries Departments and Agencies (MDAs)	Programme funding, formulation and implementation of Government policies.
2	Parliament	For enactment of relevant educational and training laws and appropriation of resources.
3	Development Partners	Provide funds, technical support and capacity building
4	Workers unions	Have a role in collective bargaining for Employee welfare.
5	Academic institutions	Provision of expertise, professionalism, Human capacity building
6	Faith Based Organizations	Provide spiritual and counselling services as well as volunteer teaching for the Adult and Continuing Education Programme. In addition, they are involved in training teachers, learners and trainees at all levels. In addition, they sponsor some public and private institutions
7	Media	Provide information awareness to the public
8	Research Institutions (private and public)	Collaborative research, collaboration in programme development, policy guidelines, synergies and capacity building
9	Industry	Providing Industrial Attachment to trainees, Employment of graduates, competency assessment
10	Venture Capitalists and philanthropists	Contribute towards financing of education, training and research
11	Industry Regulators and Marketing Agencies	Marketing and Industry regulation
12	Private sector and Civil Society	Partnering with the Sector in Programme development, implementation and community advocacy
13	Kenya National Federation for Juakali Association	To protect, represent and develop the interests of juakali artisans in registered primary associations
14	Households, parents and communities	Resource mobilization and management of the sector Programmes Source of data, taxpayers, suppliers and consumers of services
15	County Governments/Council of Governors	Play a crucial role in augmenting the sector bursary fund and support development of infrastructure. Additionally, they employ and manage ECDE teachers and youth polytechnic instructors
16	Academies of Science	Formulation of policies and Programme designed to encourage the development and application of science and technology for National Development.
17	Kenya Secondary Schools Heads Association (KSSHA)	Provide exemplary leadership and training, and foster partnerships for quality education
18	Primary Schools Heads Association (KEPSHA)	Provide effective leadership in primary schools for good practices in management and implementation of the curriculum.

ANNEX 3: LIST OF EDUCATION SECTOR STAKEHOLDERS

NO.	STAKEHOLDERS	ROLE
19	Kenya Association of Technical Training Institutes (KATTI)	Provide a common forum for identifying common interests to the institutions and determining strategies for addressing such issues for the purpose of the qualitative and quality improvement of Technical Education and Training in Kenya.
20	Kenya National Association of Private Colleges (KENAPCO)	To enhance the coordination and regulation of private TVET institutions
21	Kenya Private School Association (KPSA)	To enhance the coordination and regulation of private Primary and secondary institutions
22	Parent Association (PA)	Resource mobilization and management of the sector Programmes
23	Kenya Association of Private Universities (KAPU)	An association of private universities in Kenya whose function is to enhance the coordination and regulation of private universities in the country
24	National Government CDF	Provide funding for projects and programs in education sector
25	Professional bodies	To regulate the conduct of professionals

ANNEX 4: POLICY AND LEGAL FRAMEWORK FOR EDUCATION

LEGAL FRAMEWORK	DETAIL
The Constitution of Kenya (2010)	<ul style="list-style-type: none"> • Article 53 guarantees the right to free and compulsory basic education for every child • Emphasizes the importance of equality and non-discrimination in access to education
The Basic Education Act (2013) The Education (Amendment) Act (2016)	<ul style="list-style-type: none"> • Establishment of a comprehensive system of basic education that includes pre-primary, primary, and secondary education • Outlines the roles and responsibilities of various stakeholders, including the national and county governments, teachers, and parents • Details matters around school management, teacher recruitment, and the provision of educational resources • The Education Act amends the Basic Education Act and includes provisions related to the management of schools, the establishment of school boards of management, and the regulation of private schools.
The Universities Act (2012)	<ul style="list-style-type: none"> • Provides for the establishment, accreditation, and governance of universities in Kenya • Details the roles of the Commission for University Education (CUE) in regulating and ensuring the quality of university education • Provisions for the funding of universities and the management of student affairs
The Technical and Vocational Education and Training (TVET) Act (2013)	<ul style="list-style-type: none"> • Governs technical and vocational education and training institutions. • Establishes the TVET Authority, which is responsible for regulating and coordinating TVET programs. • Promotes access to technical and vocational education and ensures the relevance and quality of TVET programs.
The Kenya Institute of Curriculum Development (KICD) Act (2013)	<ul style="list-style-type: none"> • Establishes the KICD, which is responsible for developing curricula for all levels of education except universities. • Outlines the functions of the KICD, including curriculum review, development of teaching materials, and conducting educational research.
The Teachers Service Commission (TSC) Act (2012)	<ul style="list-style-type: none"> • Establishes the TSC, which is responsible for the registration, recruitment, deployment, and management of teachers in Kenya. • Outlines the roles and responsibilities of the TSC in ensuring the quality and professionalism of teachers.
National Education Sector Strategic Plan (NESSP) (2018-2022)	<ul style="list-style-type: none"> • The NESSP outlines the strategic direction for the education sector in Kenya, focusing on access, quality, equity, relevance, and governance. It aims to achieve universal access to basic education, improve learning outcomes, and enhance the efficiency and accountability of the education system.

ANNEX 4: POLICY AND LEGAL FRAMEWORK FOR EDUCATION

LEGAL FRAMEWORK	DETAIL
Kenya Vision 2030	Vision 2030 is Kenya's long-term development blueprint, which includes significant goals for the education sector. It aims to provide globally competitive quality education, training, and research for sustainable development. Key priorities include expanding access to education, improving the quality of education, and promoting science, technology, and innovation.
National Policy on Education and Training (2012)	This policy provides a comprehensive framework for education and training in Kenya. It emphasizes the importance of providing quality education and training opportunities that are equitable and accessible to all Kenyans. It also highlights the need for lifelong learning and the integration of ICT in education.
Policy Framework for Nomadic Education in Kenya (2000)	This policy addresses the educational needs of nomadic communities in Kenya. It aims to improve access to quality education for children in nomadic and marginalized communities through flexible and context-specific educational approaches.
Special Needs Education Policy Framework (2009)	This policy framework focuses on inclusive education and the provision of education for learners with special needs and disabilities. It aims to ensure that all children, regardless of their physical, intellectual, social, emotional, linguistic, or other conditions, have access to quality education in inclusive settings.
Gender Policy in Education (2007)	This policy promotes gender equality and equity in the education sector. It addresses issues such as access to education for girls, gender-based violence in schools, and the promotion of gender-sensitive teaching and learning environments.
ICT in Education Policy (2006)	This policy aims to integrate Information and Communication Technology (ICT) into the education system to enhance teaching, learning, and administration. It focuses on the development of ICT infrastructure, capacity building for teachers, and the incorporation of ICT into the curriculum.
School Health Policy (2018)	This policy provides a framework for promoting the health and well-being of learners in schools. It addresses issues such as nutrition, hygiene, sanitation, and health education, aiming to create a healthy school environment conducive to learning.
Policy on Alternative Provision of Basic Education and Training (APBET) (2015)	This policy caters to learners who cannot access formal education due to various barriers. It supports alternative education programs and provides guidelines for their regulation and integration into the formal education system.



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