



**Bridged version of  
THE BUDGET TRACKING MODULES**

**A TOOL FOR TRACKING BUDGETARY  
ALLOCATIONS, DISBURSEMENT  
AND UTILIZATION FOR BASIC EDUCATION**

**IN  
KENYA**

**Developed  
By**

**ELIMU YETU COALITION  
P.O Box 42814, Nairobi  
Tel. 4440440/0  
Email: [elimuyetu@actionaidkenya.org](mailto:elimuyetu@actionaidkenya.org)**

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## **CONTEXT**

The Modules are as a result of research undertaken as a component of phase two of ELIMU YETU COALITION project on “Budget Tracking”- **Resource Mobilization and Utilization for Basic Education in Mwingi and Narok Districts in Kenya (2002)**. The research was undertaken at two levels, namely, district (Narok and Mwingi) and national (Ministry of Education, Science & Technology Headquarters). The purpose of the research was to establish the actual situation on the ground in terms of the key players and their contribution to education as well as the resources available for basic education at the local, district and national levels. The findings of the call for participatory approaches in order to mobilize and sensitize stakeholders, especially those in the districts and at community level to play an active role in two areas. First, giving inputs during the production of the national and district budgets; and second, monitoring and evaluating how the resources allocated for the development of quality education for all are used for the benefit of all children in various districts.

### **Objectives of the Modules**

The modules are developed to facilitate and empower stakeholders with the necessary capacity to monitor the budgetary process. However, the specific objectives of the modules are:

1. To sensitize stakeholders at the national and district level to appreciate the planning and budgeting, resource allocation and disbursement, implementation and impact assessment processes.
2. To sensitize stakeholders to understand and appreciate their role and participate actively in the whole process of budgeting and utilization of resources in the education sector.
3. To empower stakeholders with the necessary capacity for tracking the whole process of budgeting and disbursement and utilization of funds in order to ensure that funds allocated for education projects and programmes by the Government, Local Authorities, NGOs, Private Foundations and Communities have been utilized accordingly.

### **The Structure of Budget Tracking Modules**

The report is composed of four budget-tracking modules. The modules are as follows:

#### **MODULE 1: PLANNING AND BUDGETING PROCESS**

##### **1.1 Objectives of the Module**

The module has the following specific objectives:

1. To help understand the planning and budgetary process.

2. To help track the budget.
3. To make the budget cycle easier to understand for the communities and the budget trackers

## **1.2 The Budget: What it is and its Use**

The National Plans and the Budget spells out the key policy statements that, reflects the highest level of political commitment and the social-economic development agenda of the Government. The national budget identifies sources of revenue and allocates expenditures to the various sectors of the economy.

Due to the meager resources available in the country, it is imperative that the resources available from the Kenyan tax-payers should be equitably allocated taking into consideration the existing regional and gender disparities. This calls for close monitoring and evaluation of the whole process of planning and budgeting, allocation and disbursement of the resources, implementation and impact assessment of the budgeted activities, projects and programmes by stakeholders.

The following seven steps are followed in the national budget preparation up to the time it is presented to Parliament for approval

### **Step 1: National and District Development Planning**

### **Step 2: Total Public Resource Envelop Forecasting**

This stage involves projecting the anticipated national revenue and expenditure levels

### **Step 3: Sectors Allocated Resources and Bidding Starts**

For budgeting purposes the Government is divided into eight sectors with core ministries bidding for resources from them as shown in the table below:

### **Step 4: Ministerial Ceiling Worked Out**

After each sector is allocated resources, the next stage is to determine how much each ministry will get from the different sectors. Some ministries bid for resources from various sectors while others only bid from one sector.

### **Step 5: Ministerial Itemized Budget Proposals Prepared**

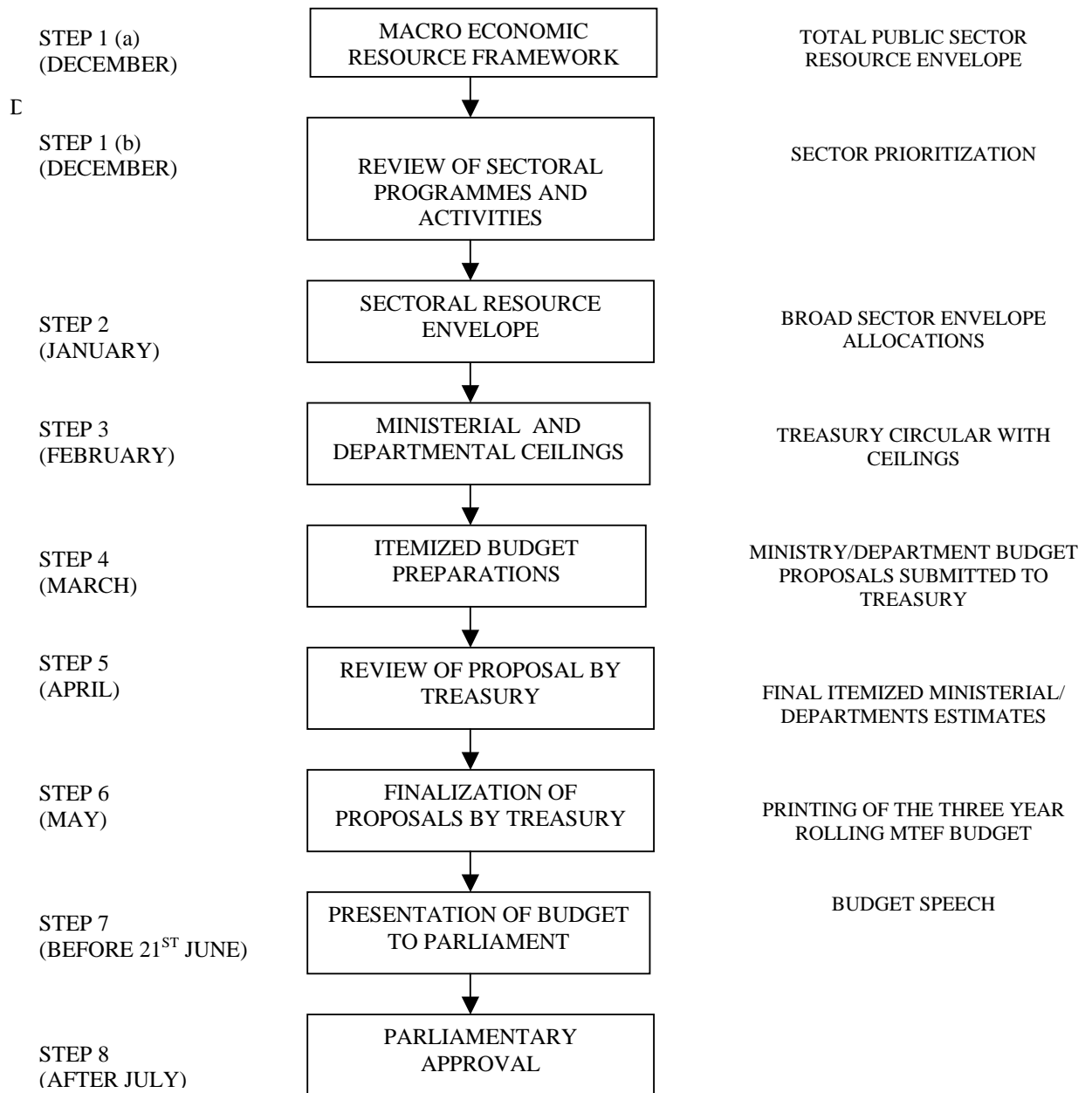
### **Step 6: Ministerial Proposals Submitted and Approval by Treasury**

### **Step 6: Finalization of the Budget Proposals by the Treasury**

### **Stage 7: Budget Presentation and Approval by Parliament**

After the Minister is satisfied with the budget proposals submitted to him by the Budget Steering Committee, he presents the same to parliament on or before 21<sup>st</sup> June of the year as stipulated by the constitution.

### The Annual Planning and Budgetary Process



## **MODULE 2: ALLOCATION AND DISBURSEMENT**

### **Objectives of the module**

1. To help track the ministry of education budget Allocations
2. To assist the budget trackers understand their role in the disbursement of the budget
3. To determine how much of the allocations actually reaches the districts

The allocation and disbursement of resources in the ministry is ideally guided by the policy priorities of the Ministry of Education, some of which includes:

- Improving access and retention at the primary level of education.
- Ensuring affordability and relevance of education in Kenya.
- Ensuring both gender and regional equity at all levels of education.

The following are the stages in Resource allocation and Disbursement

### **Step 1: Ministerial Allocation and Determination**

#### **Step 2: Allocation of the Resources to the Various Sub Sectors**

For budgeting and administration purposes, the Ministry of Education is divided into sub sectors, which represents the various level of education. They include:

- Pre-Primary Education
- Primary Education
- Special Education
- Secondary Education
- Technical Education
- Teacher Education
- Polytechnic Education
- University Education

#### **Step 3: Master Vote Book Opening for Disbursement**

At the beginning of each financial year after funds have been allocated to the ministry, they are recorded in a document known as the Vote book.

#### **Step 4: Opening of the Cash book**

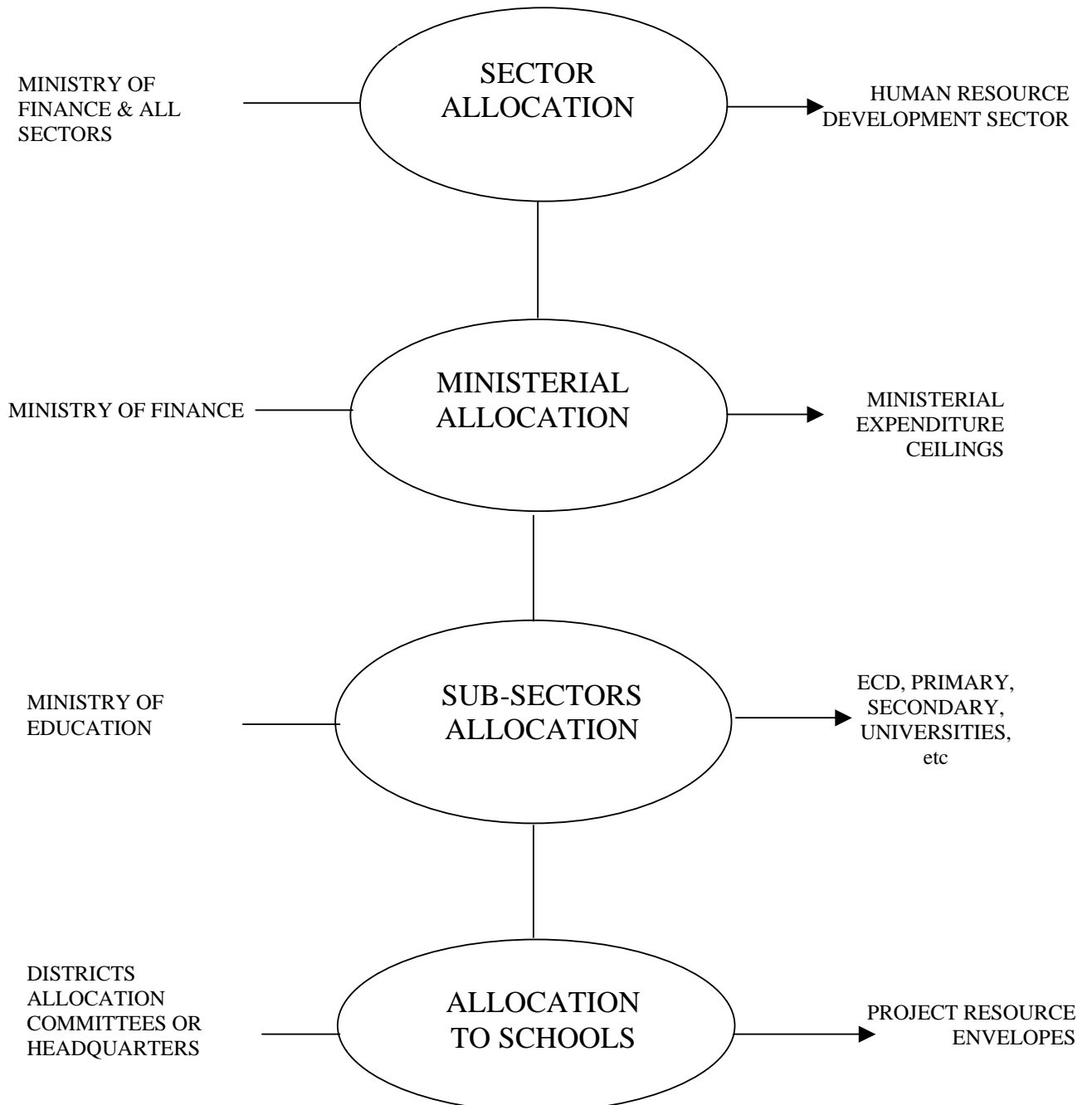
Cashbook is a record of all exchequer releases received from the Ministry of Finance and Planning and payment for goods and services. The Ministry of Education's cash book is opened at the beginning of the financial year when the first exchequer release is received.

#### **Stage 5: Authority to Incur Expenditure and Cheques Prepared and Payment to the Districts**

This is the beginning of the Disbursement stage where money charged in the vote book is actually sent to the districts or to the schools.

**Step 6: Payment to the Suppliers**

**RESOURCE ALLOCATION STAGES**



## **MODULE 3: IMPLEMENTATION**

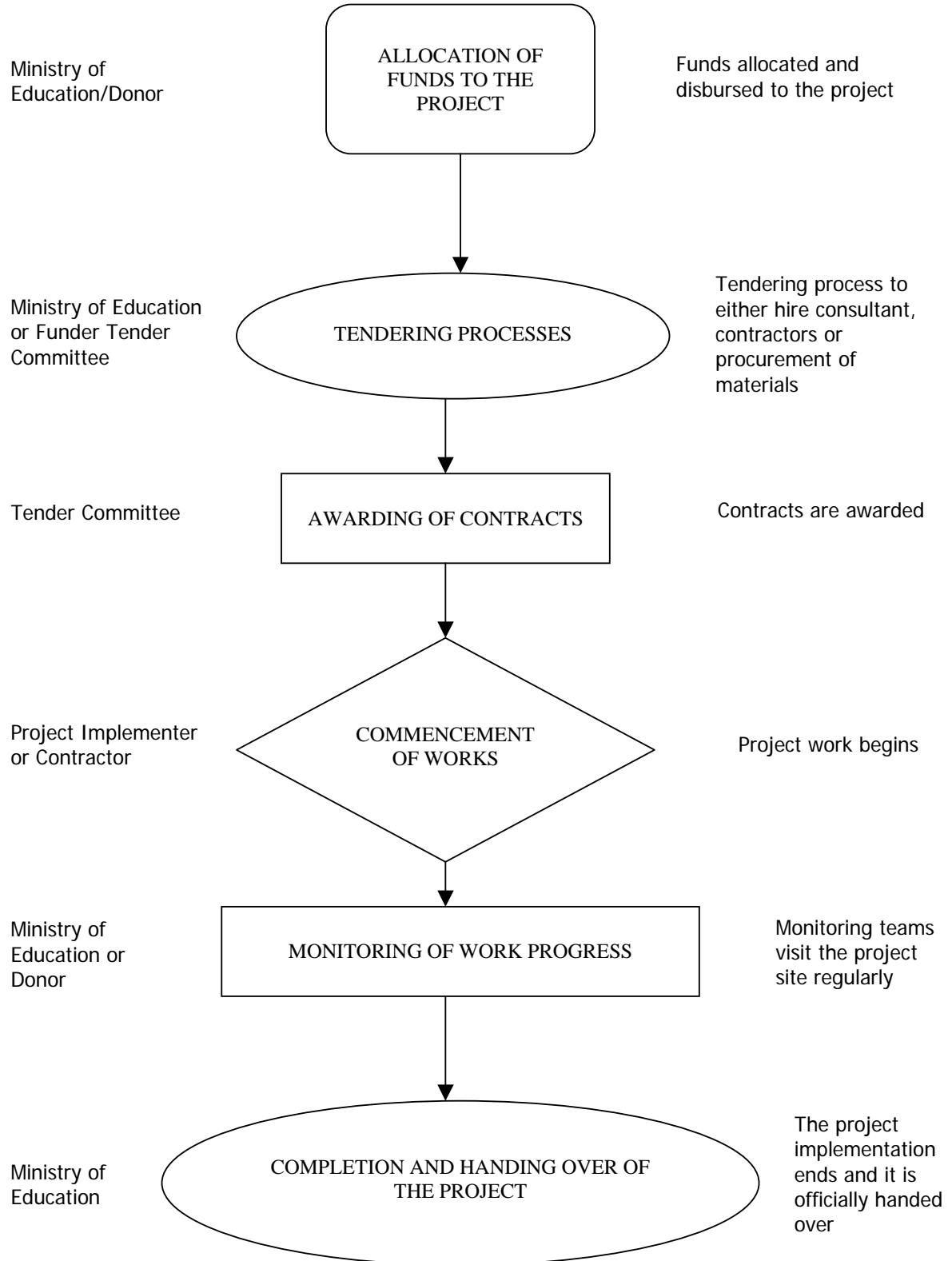
### **The Objectives of the module is:**

1. To sensitize stakeholders to appreciate and understand the implementation stages of the budgeted projects in the education sector.
2. To discuss the role of stakeholders in the implementation stages.
3. To build capacity of stakeholders to enable them track the implementation of education projects in the budget.

At the project implementation stage, you may track the following activities:

1. Implementation Schedule and Timeframe
2. Disbursement of Funds
3. Financial Resources Management
4. Human Resource Management
5. Documentation and Records
6. Procurement and use of Materials
7. Participation
8. Monitoring and Evaluation Activities

## IMPLEMENTATION SCHEDULE



## **MODULE 4: IMPACT ASSESSMENT**

The specific objectives of this module are to:

1. Sensitize stakeholders to appreciate the importance of impact assessment.
2. Sensitize stakeholders to understand and appreciate their role in impact assessment.
3. To equip the stakeholders with tools for impact assessment.

The following activities will be necessary for conducting impact assessment of a project:

### **a) Achievement of Objectives**

Tracking achievement of objectives is important because the success of any project is determined by the extent to which the set objectives have been met. For example, if one of the short-term objectives of a bursary project is to give bursaries to 1000 girls by the end of the year, it is necessary to assess whether the objective was met. It is through meeting the set objectives, which results in the project having significant impact to the beneficiaries.

### **b) Usefulness of the Project**

It is at this level where issues of how the project changed the lives of the people come in. This will measure the usefulness of the project to the target population. If the project had negative effects on the lives of the people, then it was unnecessary and a wrong choice of project for the people. The following probing questions may be asked:

- Who benefited from the project?
- Did the project change the lives of the beneficiaries? For example, if it was a school textbook project, did it improve retention and transition rates in schools?
- Did the project have any side effects? For example, the School-feeding programme may increase dependency syndrome in a targeted community.
- Did the project give employment to the local community?
- Does the project give proper service to the target population?
- Did the community get value for the money spent in the project? At this juncture, one may need to assess the output versus the input.
- Are there any long-term effects of the project to the community? For instance, evidence of effects such as poverty reduction and improved standard of living of the beneficiaries.

### **c) Acceptability and Sustainability**

There is need to assess whether a project is acceptable or not, then go further to establish whether it is sustainable. For the purposes of tracking the above the following questions may arise:

- Who initiated the project?

- Was the community involved?
- Does the community like the project?
- Are there set mechanisms for sustaining the project by the community?

Success in ensuring that the community has the capacity to sustain the project has a long-term impact. It implies that the community is going to continue benefiting from the project for a long time leading to sustainable development of the target area.