



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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**MAIN EXAMINATION**

**JANUARY – APRIL 2019 TRIMESTER**

**FACULTY OF EDUCATION**

**DEPARTMENT OF POSTGRADUATE STUDIES IN EDUCATION**

**REGULAR PROGRAMME**

**ED 511: MOBILIZATION AND MANAGEMENT OF INSTITUTIONAL  
RESOURCES**

**Date: APRIL 2019**

**Duration: 3 Hours**

**INSTRUCTIONS: Answer Question ONE and any other THREE Questions**

Q1. A private kindergarten in Nairobi uses Shs. 25,000 monthly on paying for utilities. The kindergarten has Two administrators, Five teachers and seven assistants who each earn Shs. 12,000, Shs. 18,000 and Shs. 7,000 respectively. They also pay rent for classrooms 70,000 per month. The kindergarten charges Shs. 20,500 school fees per term and has a target of making Shs. 2,700,000 profit in the year 2019. The cost of maintaining each kindergarten child per term is Shs. 11,800.

**Required**

- a) Determine the number of students needed to break-even per term (assuming one term has 3 months). **(10 Marks)**
- b) How many more students do they need to achieve their profit objective. **(5**

**Marks)**

- c) Examine five benefits of break-even analysis to educational managers **(5**

**Marks)**

Q2. Financial Management is not necessary in Kenyan public secondary schools anymore because of the introduction of free secondary education. The Ministry of Education will give all the finances and then issue a circular on how such funds should be spent. The school's role is only to implement. Discuss the statement above. **(20 Marks)**

Q3. Accounting is the process of identifying, measuring and communicating economic information to permit informed judgments and decisions by users of the information (American Accounting Association)

Describe five users of financial information in an education institution and explain the nature of their information needs. **(20 Marks)**

Q4. “With the introduction of free education in African primary schools, there is no need to carry out auditing in the schools since the funds are specifically recognized for a given purpose”. Critically Analyze this statement. **(20 Marks)**

Q5. You have been appointed the principal of a public secondary school currently experiencing a financial crisis. Upon investigating the problem, you have discovered that the two main financial problems are lack of adequate funding and poor financial management practices.

**REQUIRED:**

- a) Explain how you will streamline the financial management practices in your school. **(10 Marks)**
- b) Discuss the ways you can improve the schools financial resource constraints. **(10 Marks)**

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