Website: www.jriiejournal.com ISSN 2520-7504 (Online) Vol.10, Iss.3, 2026 (pp. 2238 - 2251)

Effect of Public Financial Controls on Funds Management in Public Secondary Schools in Gacurabwenge Sector, Kamonyi District, Rwanda during the academic year 2024–2025

Giramata Genereuse and Rubunda Emmaboles
University of Kigali, Rwanda
Email: giramatagenereuse1999@gmail.com

Abstract: *This study examined the effect of public financial control systems on funds management practices in public secondary schools in Gacurabwenge Sector, Kamonyi District, Rwanda, during the 2024–2025 academic year. It focused on five dimensions: budgetary controls, segregation of duties, authorization procedures, internal audit systems, and financial reporting practices. The study adopted a quantitative approach using descriptive and correlational research designs. The target population comprised 14 respondents, including seven Head Teachers and 7 Bursars from seven public secondary schools. A census sampling technique was employed, involving all 14 respondents. Primary data were collected using structured questionnaires, while secondary data were obtained through documentary review. Data were analyzed using SPSS Version 27 through descriptive statistics, Pearson correlation, and multiple regression analysis. Findings indicated that funds management practices were generally very high ($M = 4.24$, $SD = 0.75$). Pearson correlation results revealed strong, positive, and statistically significant relationships between funds management practices and budgetary controls ($r = 0.812$, $p < 0.01$), segregation of duties ($r = 0.756$, $p < 0.01$), authorization procedures ($r = 0.834$, $p < 0.01$), internal audit systems ($r = 0.801$, $p < 0.01$), and financial reporting practices ($r = 0.847$, $p < 0.01$). Multiple regression showed that these dimensions jointly explained 83.2% of variation ($R^2 = 0.832$). Financial reporting had the strongest influence ($\beta = 0.316$, $p = 0.007$), confirming the importance of effective financial controls.*

Keywords: *Public Financial Controls; Funds Management; Budgetary Controls; Internal Audit; Financial Reporting; Public Secondary Schools.*

How to cite this work (APA):

Girimata, G.& Rubunda, E. (2026). Effect of Public Financial Controls on Funds Management in Public Secondary Schools in Gacurabwenge Sector, Kamonyi District, Rwanda during the academic year 2024–2025. *Journal of Research Innovation and Implications in Education, 10*(3), 2238 – 2251. **https://doi.org/10.59765/k3s8d5**

1. Introduction

Systems for public financial control are crucial tools for encouraging responsibility, openness, compliance, and effective use of public funds. Through budgeting, spending controls, internal audits, authorization processes, segregation of duties, and financial reporting, governments around the world have improved public financial management. These procedures are especially crucial in public institutions like schools, where efficient use of public monies enhances institutional performance and service delivery. In order to guarantee that public resources are distributed and used effectively and transparently, the World Bank (2024) highlights that good public financial management is essential. Effective financial controls lower the risk of financial irregularities while assisting educational institutions in managing resources in accordance with approved budgets and financial requirements.

Strengthening financial accountability, budget implementation, auditing, and institutional monitoring have become increasingly important aspects of governmental financial management reforms in Africa. The efficient use of public resources is nevertheless hampered in a number of nations by flaws in financial controls, reporting, compliance, and monitoring. The World Bank (2024) emphasizes how crucial it is to keep bolstering financial governance and accountability systems throughout Sub-Saharan Africa. Because public schools oversee monies used to support instruction, facilities, educational materials, and other operational tasks, these difficulties are especially important.

Governments in East Africa have enacted reforms with the goal of enhancing public financial management and bolstering institutional accountability. Nonetheless, issues with budgeting, internal controls, financial reporting, and supervision are still pertinent. Effective internal control systems can enhance accountability and resource management, whereas poor implementation can compromise institutional performance and financial efficiency, according to data from East African public institutions (Korir et al., 2023; World Bank, 2024). As a result, financial reporting, internal audits, authorizations processes, budgetary controls, and segregation of duties continue to be crucial elements of efficient money management.

Budgeting, spending control, auditing, financial reporting, and accountability within decentralized public entities have all improved in Rwanda as a result of public financial management reforms. Effective management of public resources and adherence to financial regulations are priorities for the Ministry of Finance and Economic Planning (MINECOFIN, 2021). However, audit reports still point out areas where public institutions' internal controls, financial management, documentation, and compliance need to be improved (Office of the Auditor General [OAG], 2024).

Local public secondary schools in Kamonyi District's Gacurabwenge Sector oversee public finances under Rwanda's decentralized financial management system. The efficiency with which school funds are managed may be impacted by variations in financial capability, supervision, compliance, and implementation control methods. However, there is little empirical data that specifically looks at how public financial constraints affect sector-level money management in public secondary schools. Thus, during the 2024–2025 school year, this study looked at how budgetary controls, segregation of duties, authorizations processes, internal audit systems, and financial reporting practices affected the management of funds in public secondary schools in Gacurabwenge Sector, Kamonyi District, Rwanda.

1.2 Statement of problem

Rwanda's public secondary schools are governed by public financial management laws that are intended to encourage responsibility, openness, and efficient use of public monies. It is anticipated that financial controls, such as budgetary controls, segregation of duties, authorizations procedures, internal audit systems, and financial reporting practices, will enhance funds management in schools and strengthen financial discipline (Ministry of Finance and Economic Planning [MINECOFIN], 2021). Nevertheless, successful institutional implementation is not always ensured by the existence of these frameworks.

Inadequate documentation delayed financial reporting, weak internal controls, and non-compliance with defined financial procedures are just a few of the financial management flaws found in decentralized public organizations, according to audit reports. Accountability and effective use of public resources may be compromised by such flaws (Office of the Auditor General [OAG], 2023). In a similar vein, Transparency International Rwanda (2023) documented issues with financial supervision, spending monitoring, and adherence to financial protocols, all of which might lead to inadequate accountability and financial inefficiencies.

Despite Rwanda's advancements in public financial management reforms, operational financial controls are still difficult to execute successfully (World Bank, 2025). Additionally, there is little empirical data that specifically looks at how public financial restrictions affect sector-level money management in public secondary schools. Thus, during the 2024–2025 school year, this study looked at how public financial controls affected the management of monies in public secondary schools in Gacurabwenge Sector, Kamonyi District.

1.3 Objectives

1.3.1 General Objective

The general objective of this study is to examine the effect of public financial control systems on funds management practices in public secondary schools in Gacurabwenge Sector, Kamonyi District during the Academic Year 2024–2025.

1.3.2 Specific Objectives

1. To examine the effect of budgetary controls on funds management practices in public secondary schools in Gacurabwenge Sector.
2. To investigate the effect of segregation of duties on funds management practices in public secondary schools in Gacurabwenge Sector.
3. To assess the effect of authorization procedures on funds management practices in public secondary schools in Gacurabwenge Sector.
4. To determine the effect of internal audit systems on funds management practices in public secondary schools in Gacurabwenge Sector.
5. To analyze the effect of financial reporting practices on funds management practices in public secondary schools in Gacurabwenge Sector.

1.4 Research Hypotheses

The following hypotheses were proposed by researchers:

H_{01}: Budgetary controls have no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector.

H_{02}: Segregation of duties has no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector.

H_{03}: Authorization procedures have no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector.

H_{04}: Internal audit systems have no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector.

H_{05}: Financial reporting practices have no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector.

2 Literature Review

This chapter covers conceptual review, theoretical frameworks and empirical studies in relation to the research variables. It also presents the conceptual framework and emphasizes the research gap that the study addresses

2.1 Conceptual Review

2.1.1 Public Financial Control Systems

Public financial control systems refer to the policies, procedures, structures, and mechanisms established to ensure proper management and accountability of financial resources in public institutions. These systems are designed to promote transparency, compliance with regulations, efficient resource utilization, and prevention of financial irregularities. Public financial control systems commonly include budgetary controls, segregation of duties, authorization procedures, internal audit systems, and financial reporting practices. Effective implementation of these controls strengthens financial governance and enhances institutional accountability within decentralized public institutions such as public secondary schools (Government of Rwanda, 2022).

2.1.2 Budgetary Controls

Budgetary control is an important component of public financial control systems that ensures financial resources are planned, allocated, monitored, and utilized according to approved budgets. Budgetary control involves preparation of financial plans, monitoring expenditures, and evaluating financial performance against established budgets. Effective budgetary controls help institutions improve financial discipline, minimize unnecessary expenditures, and enhance accountability in the management of public resources. Previous studies indicate that financial management systems such as the Integrated Financial Management Information System (IFMIS) contribute significantly to improving budgeting practices, cash management, and financial reporting in public institutions in Rwanda (Harelimana, 2017).

2.1.3 Segregation of Duties

Segregation of duties is an important internal control mechanism aimed at reducing the risks of fraud, financial errors, and misuse of public resources. This principle involves dividing financial responsibilities among different individuals to ensure that no single person has complete control over all stages of financial transactions. Proper segregation of duties improves accountability, strengthens financial oversight, and minimizes opportunities for financial misconduct. Studies conducted in public institutions indicate that weak segregation of duties is often associated with financial irregularities, weak accountability systems, and inefficient utilization of resources (Jeanne, 2019).

2.1.4 Authorization Procedures

Authorization procedures refer to the formal approval processes established to ensure that financial transactions and expenditures are properly reviewed and approved before implementation.

Authorization controls help institutions prevent unauthorized expenditures, ensure compliance with financial regulations, and strengthen accountability in the management of public funds. Effective authorization procedures also improve monitoring and financial discipline by ensuring that only approved financial activities are executed within institutions (Ministry of Finance and Economic Planning [MINECOFIN], 2021).

2.1.5 Internal Audit Systems

Internal audit systems play a significant role in evaluating the effectiveness of financial controls and ensuring compliance with established financial procedures. Internal auditors provide independent assessments of financial activities, identify weaknesses in control systems, and recommend corrective measures to improve financial governance. Research conducted in Rwanda indicates that strong internal audit functions positively influence the quality of financial reporting, accountability, and compliance practices within public institutions (Ntakiyimana, 2024). Effective internal audit systems therefore contribute significantly to improving institutional financial management practices.

2.1.6 Financial Reporting Practices

Financial reporting systems are essential for promoting transparency and accountability in public institutions. Accurate and timely financial reports provide stakeholders with reliable information for decision-making, monitoring, and evaluation of institutional financial performance. Effective financial reporting practices improve financial transparency, support compliance with regulations, and strengthen public confidence in institutional financial management systems. Studies conducted in Rwanda show that improved financial reporting practices are positively associated with enhanced institutional accountability and financial performance in public institutions (Bwimba & Nkechi, 2024).

2.1.7 Funds Management Practices

Funds management practices refer to the processes involved in planning, utilizing, monitoring, controlling, and reporting financial resources within an institution. Effective funds management ensures that financial resources are utilized efficiently, expenditures are properly controlled, and institutional objectives are achieved in accordance with approved financial guidelines.

In public secondary schools, sound funds management practices are essential for improving accountability, resource utilization, financial transparency, and effective delivery of educational services. Weak financial management practices may lead to resource misallocation, poor accountability, and inefficiencies in institutional operations (World Bank, 2025).

2.2 Theoretical Review

2.2.1 Agency Theory

The interaction between principals who assign tasks and agents who oversee resources on their behalf is explained by agency theory. While school administrators and financial officers operate as agents in charge of managing public funds, the government and other stakeholders act as principals in public secondary schools. The idea highlights that when agents pursue personal goals, conflicts of interest and information asymmetry may occur. In order to encourage responsibility and lessen resource misuse, financial controls such budgeting, authorizations processes, internal audits, segregation of roles, and financial reporting are essential. Thus, the theory explains how financial controls enhance responsibility and money management, which supports this study (OECD, 2023).

2.2.2 COSO Internal Control Framework

A thorough foundation for creating, putting into practice, and assessing efficient internal control systems inside businesses is offered by the COSO Internal Control Framework. The control environment, risk assessment, control actions, information and communication, and monitoring activities are its five interrelated components. When these elements are implemented well, operational effectiveness, financial responsibility, regulatory compliance, and organizational resource protection are all enhanced. Financial errors, fraud, and resource mismanagement can be decreased in public secondary schools by control measures such budgeting, internal audits, financial reporting, authorizations procedures, and segregation of roles. Therefore, by outlining how efficient financial controls can improve accountability and money management, the framework supports this study (COSO, 2024).

2.2.3 Institutional Theory

Organizations build structures, policies, and procedures to conform to laws, social norms, and established standards. This is explained by institutional theory. Institutions use financial control systems in public financial management to encourage accountability, legitimacy, openness, and efficient use of resources. Therefore, it is anticipated that public secondary schools adhere to government regulations for financial reporting, budgeting, expenditure control, auditing, and authorizations of expenditures. Because it explains why schools use financial controls to adhere to Rwanda's public financial management requirements, the theory is pertinent to our study. Additionally, it clarifies variations in execution brought about by organisational capacity, supervision, enforcement, and institutional commitment (Scott, 2022).

2.3 Empirical Review

2.3.1 Budgetary Controls and Funds Management

To guarantee that public resources are planned, distributed, tracked, and used in accordance with authorized priorities, budgetary controls are crucial. Effective budget planning and expenditure control improve resource allocation and financial discipline, according to the International Monetary Fund (2023). Kiptoo et al. (2022) discovered that by facilitating expenditure planning and monitoring, budgetary methods greatly enhanced the wise management of free secondary education expenditures in Kenya. Although there were still issues with financial procedure compliance, the 2022 PEFA assessment of Rwanda revealed comparatively excellent budget reliability and strategic resource allocation (MINECOFIN, 2022). Thus, through budget preparation, budget approval, expenditure monitoring, budget variance analysis, and conformity to authorized budgets, this study investigates budgetary controls.

2.3.2 Segregation of Duties and Funds Management

To minimize mistakes, fraud, and misappropriation of public funds, segregation of duties is a crucial internal control system that divides authorizations, recording, possession, procurement, payment, and verification responsibilities. Clearly defined responsibilities improve responsibility and lessen control vulnerabilities, according to COSO (2023). Although the study was conducted before 2022, Omondi and Kiganda (2021) discovered that internal control measures enhanced financial accountability in public secondary schools in Kenya. According to Juma et al. (2024), in Tanzania, openness and accountability in the management of school funds were enhanced by explicit financial duties, appropriate documentation, and adherence to financial norms. To protect public resources in Rwanda, MINECOFIN (2024) highlights the proper division of financial obligations. Thus, by separating the tasks for authorizations, recording, possession, purchase, payment, and verification, this study investigates segregation of duties.

2.3.3 Authorization Procedures and Funds Management

To minimize mistakes, fraud, and misappropriation of public funds, segregation of duties is a crucial internal control system that divides authorizations, recording, possession, procurement, payment, and verification responsibilities. Clearly defined responsibilities improve responsibility and lessen control vulnerabilities, according to COSO (2023). Although the study was conducted before 2022, Omondi and Kiganda (2021) discovered that internal control measures enhanced financial accountability in public secondary schools in Kenya. According to Juma et al. (2024), in Tanzania, openness and accountability in the management of school funds were enhanced by explicit financial duties, appropriate documentation, and adherence to financial norms. To protect public resources in Rwanda, MINECOFIN (2024) highlights the proper division of financial obligations. Thus, by separating the tasks for authorizations, recording, possession, purchase, payment, and verification, this study investigates segregation of duties.

2.3.4 Internal Audit Systems and Funds Management

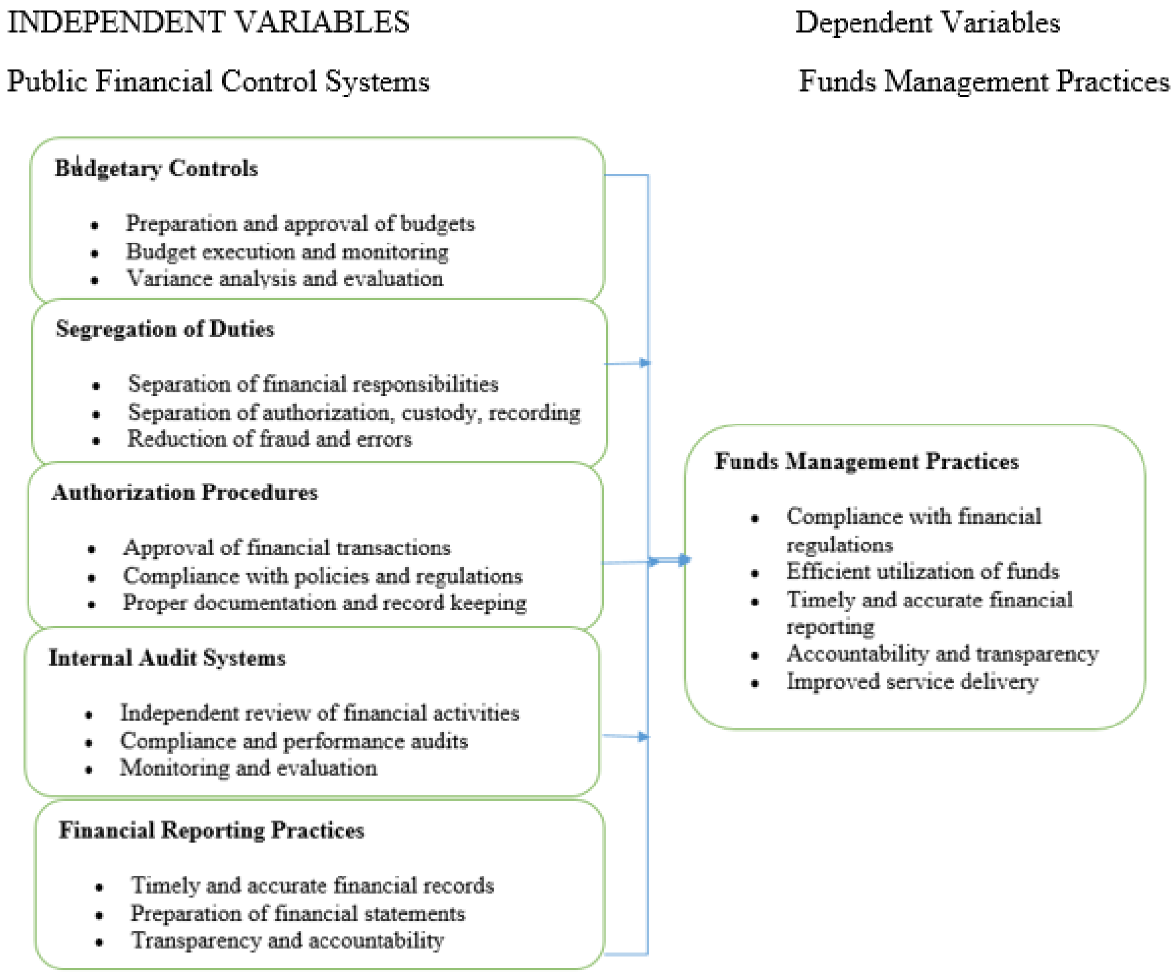
Prior to expenditure, authorizations procedures guarantee that financial transactions are authorized by officials with the proper delegated authority. Effective public-sector internal controls necessitate that transactions be appropriately authorized, documented, and carried out in accordance with established financial regulations, according to INTOSAI (2022). Omondi (2021) discovered that better financial accountability in public secondary schools in Kenya was linked to internal control mechanisms, underscoring the significance of authorizations and other control actions. According to MINECOFIN (2022), Rwanda has built regulatory frameworks that control and authorize spending. Thus, authorizations processes through expenditure approval, verification of supporting documentation, delegated authority, procurement approval, and adherence to approved budgets are all examined in this study.

2.3.5 Financial Reporting Practices and Funds Management

In public institutions, financial reporting fosters accountability, transparency, monitoring, planning, and well-informed decision-making. According to IPSASB (2023), stakeholders can evaluate the use of public resources when financial data is timely, accurate, full, and comparable. Stronger reporting mechanisms are crucial since Mutuiri et al. (2023) discovered ongoing financial management issues in Kenyan public secondary schools. According to Juma et al. (2024), appropriate documentation and consistent reporting improved accountability and transparency in Tanzanian schools in East Africa. MINECOFIN (2022) recognized existing reporting processes in Rwanda, but pointed out deficiencies in timeliness and completeness. Accuracy, timeliness, completeness, reconciliation, budget versus actual reporting, and compliance are all examined in this study.

2.4 Conceptual Framework

The conceptual framework demonstrates how finances management, accountability, transparency, compliance, and efficiency are impacted by public financial controls, including budgetary restrictions, segregation of duties, authorization, internal audit, and financial reporting.



2.5 Research Gaps

Effective financial controls enhance accountability, transparency, financial reporting, and institutional performance, according to earlier research conducted in Rwanda and other nations (Agaba, 2025; Bwimba & Nkechi, 2024; Ntakiyimana, 2024). However, many paid little attention to public secondary schools and instead concentrated on commercial banks, local governments, or public institutions in general. Furthermore, rather than focusing on school-level fund management, previous research has focused on financial performance and accountability. The impact of financial reporting, internal audit systems, authorization processes, budgetary controls, and segregation of roles on funds management in decentralized schools is examined by a small body of empirical research. Thus, by concentrating on public secondary schools in Gacurabwenge Sector, Kamonyi District, Rwanda, this study fills the contextual and empirical vacuum.

3 Methodology

In order to investigate the impact of public financial control systems on finances management practices in public secondary schools in Gacurabwenge Sector, Kamonyi District, the study used a quantitative method utilizing descriptive and correlational research designs. Fourteen respondents, comprising seven head teachers and seven bursars from seven public secondary schools, made up the target population. Since all 14 respondents were directly in charge of budgeting, authorizing expenditures, financial reporting, internal controls, and managing school funds, purposive selection was utilized in conjunction with a census sample approach.

Data was gathered from both primary and secondary sources. Structured questionnaires were used to collect primary data, while audit reports, government publications, MINECOFIN documents, Office of the Auditor General reports, financial management policies, books, and pertinent journal articles were used to collect secondary data. A five-point Likert scale measuring budgetary controls, segregation of duties, authorizations procedures, internal audit systems, financial reporting practices, and funds management practices was included in the questionnaire along with demographic questions. The scale ranged from 1 = Strongly Disagree to 5 = Strongly Agree.

Ten respondents, five Head Teachers and five Bursars participated in a pilot study outside the study area in Runda Sector, Kamonyi District. Expert review was used to evaluate content validity, and 30 out of 35 relevant items yielded a Content Validity Index (CVI) of 0.86. With an overall coefficient of 0.819, reliability testing using Cronbach's Alpha in SPSS Version 27 yielded coefficients of 0.812 for budgetary controls, 0.834 for segregation of duties, 0.791 for authorizations procedures, 0.806 for internal audit systems, 0.825 for financial reporting, and 0.847 for funds management.

SPSS Version 27 was used to edit, code, enter, clean, and analyses the data. The data was summarized using frequencies, percentages, means, and standard deviations, and correlations between variables were investigated using Pearson correlation. The five financial control characteristics' individual and combined effects on finances management were evaluated using multiple regression. At $p < 0.05$, statistical significance was established. Throughout the study, ethical standards were upheld, including informed consent, confidentiality, anonymity, voluntary participation, safe data processing, institutional approval, and correct reporting.

4. Results and Discussion

4.1 Descriptive Statistics

Table 1: Budgetary Controls

Statement	N	Mean	Std. Dev
The school prepares annual budgets in line with government guidelines.	14	**4.43**	0.65
Budget expenditures are regularly monitored against approved allocations.	14	**4.36**	0.74
Budget variances are investigated and corrected promptly.	14	**4.14**	0.77
Financial decisions are guided by the approved budget.	14	**4.00**	0.78
Budget implementation reports are reviewed periodically.	14	**4.29**	0.73
Overall Mean		**4.24**	**0.74**

Source: Field Data (2026)

With an overall mean of 4.24 (SD = 0.74), Table 1 shows that budgetary control methods were highly applied in Gacurabwenge Sector public secondary schools. The highest mean was found in annual budget preparation (M = 4.43), followed by periodic report review (M = 4.29) and spending monitoring (M = 4.36). Additionally, budget-guided financial decisions (M = 4.00) and budget variance correction (M = 4.14) were often used. All things considered, the results show excellent financial planning, oversight, responsibility, and control.

Table 2: Segregation of Duties

Statement	N	Mean	Std. Dev
Financial responsibilities are clearly divided among staff members.	14	**4.36**	0.74
The person authorizing payments is different from the one recording transactions.	14	**4.14**	0.77
Asset custody and accounting functions are separated.	14	**4.21**	0.70
Procurement, approval, and payment functions are assigned to different individuals.	14	**4.21**	0.80
There is limited opportunity for one person to control all financial processes.	14	**4.07**	0.83
Overall Mean		**4.20**	**0.77**

With an average mean of 4.20 (SD = 0.77), Table 2 demonstrates that division of roles was widely used in Gacurabwenge Sector public secondary schools. The highest mean (M = 4.36) was reported for clearly divided financial tasks, followed by the separation of accounting and asset custody (M = 4.21) and the procurement, approval, and payment functions (M = 4.21). Overall, the results show that financial duties can be effectively separated, enhancing accountability, lowering the danger of fraud, and encouraging sound money management.

Table 3: Authorization Procedures

Statement	N	Mean	Std. Dev
All expenditures require formal approval before payment.	14	**4.36**	0.74
Authorization levels are clearly defined and documented.	14	**4.21**	0.80
Payments are supported by proper approval documentation.	14	**4.29**	0.73
Emergency expenditures follow defined authorization procedures.	14	**4.14**	0.77
Unauthorized expenditures are not permitted.	14	**4.21**	0.70
Overall Mean		**4.24**	**0.75**

Source: Field Data (2026)

With an overall mean of 4.24 (SD = 0.75), Table 3 shows that authorisation processes were extensively applied in Gacurabwenge Sector public secondary schools. The highest mean (M = 4.36, SD = 0.74) was reported for formal approval of expenditures prior to payment, followed by appropriate permission paperwork (M = 4.29, SD = 0.73). Preventing unauthorised expenditure and defining authorisation levels both received a score of 4.21. All things considered, prudent financial management, accountability, and compliance are strengthened by efficient authorisation processes.

Table 4: Internal Audit Systems

Statement	N	Mean	Std. Dev
The school undergoes regular internal audits.	14	**4.36**	0.74
Audit findings are communicated clearly to management.	14	**4.14**	0.77
Audit recommendations are implemented promptly.	14	**4.29**	0.73
Internal audits help detect financial irregularities.	14	**4.21**	0.80
District oversight strengthens financial monitoring.	14	**4.21**	0.70
Overall Mean		**4.24**	**0.75**

Source: Field Data (2026)

With an average mean of 4.24 (SD = 0.75), Table 4 shows that internal audit systems were widely used in public secondary schools in the Gacurabwenge Sector. Frequent internal audits had the highest mean (M = 4.36, SD = 0.74), with timely implementation of audit recommendations coming in second (M = 4.29, SD = 0.73). District supervision and internal audits found that financial irregularities both received a score of 4.21. All things considered, the results show that internal audit systems improve financial monitoring, accountability, compliance, and efficient money management.

Table 5: Financial Reporting Practices

Statement	N	Mean	Std. Dev
Financial reports are prepared accurately.	14	**4.36**	0.74
Financial reports are submitted on time.	14	**4.21**	0.80
Financial records are properly maintained.	14	**4.29**	0.73
Reports comply with government financial regulations.	14	**4.14**	0.77
Financial information is accessible for oversight purposes.	14	**4.21**	0.70
Overall Mean		**4.24**	**0.75**

Source: Field Data (2026)

With an average mean of 4.24 (SD = 0.75), Table 5 shows that financial reporting procedures were widely used in public secondary schools in the Gacurabwenge Sector. The highest mean was found for accurate financial report creation (M = 4.36, SD = 0.74), followed by appropriate financial record keeping (M = 4.29, SD = 0.73). Both timely submission and financial information accessibility received a score of 4.21. All things considered, the results show good financial reporting procedures that improve accountability, transparency, regulatory compliance, and appropriate use of public monies.

Table 6: **Funds Management Practices**

Statement	N	Mean	Std. Dev
The school complies with public financial management regulations.	14	**4.36**	0.74
Financial transactions follow established procedures.	14	**4.21**	0.80
Financial reports are submitted within required deadlines.	14	**4.29**	0.73
Reporting delays are rare in this school.	14	**4.14**	0.77
All expenditures are supported by proper documentation.	14	**4.21**	0.70
Financial records are complete and well-organized.	14	**4.36**	0.74
Expenditures align with the approved budget.	14	**4.21**	0.80
Overspending beyond budget allocations is rare.	14	**4.29**	0.73
School funds are used efficiently.	14	**4.14**	0.77
Financial resources are allocated to priority activities.	14	**4.21**	0.70
Overall Mean		**4.24**	**0.75**

Source: Field Data (2026)

With a total mean of 4.24 (SD = 0.75), Table 7 shows that financial management methods were highly applied in Gacurabwenge Sector public secondary schools. Well-organised financial records and adherence to public financial management standards had the highest mean (M = 4.36, SD = 0.74). Limited expenditures and prompt financial reporting both received a score of 4.29. All things considered, the results show good money management, which is defined by compliance, responsibility, transparency, effective use of resources, and appropriate financial control.

4.2 Inferential Statistics

Table 7: Pearson Correlation Matrix

		BC	SD	AP	IA	FR	FMP
BC	Pearson Correlation	1					
	Sig. (2-tailed)	.000					
	N						
SD	Pearson Correlation	.721**	1				
	Sig. (2-tailed)	.000	.000				
	N	14	14				
AP	Pearson Correlation	.754**	.738**	1			
	Sig. (2-tailed)	.000	.000	.000			
	N	14	14	14			
IA	Pearson Correlation	.689**	.715**	.782**	1		
	Sig. (2-tailed)	.000	.000	.000	.000		
	N	14	14	14	14		
FR	Pearson Correlation	.706**	.694**	.741**	.768**	1	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	14	14	14	14	14	
FMP	Pearson Correlation	.812**	.756**	.834**	.801**	.847**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	14	14	14	14	14	14

Note: Correlation is significant at the 0.01 level (2-tailed).

Strong, positive, and statistically significant correlations between all aspects of public financial control and funds management methods are shown in Table 7, ($p < 0.01$). The largest correlation was found between financial reporting ($r = 0.847$), authorization processes ($r = 0.834$), budgetary controls ($r = 0.812$), internal audit systems ($r = 0.801$), and segregation of duties ($r = 0.756$). Overall, the results show that efficient financial control systems improve public finances management, accountability, transparency, and compliance.

Table 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.912[a]	.832	.802	.318

R = 0.912 in Table 8 indicates a high positive correlation between funds management techniques and public financial control systems. The R^2 of 0.832 shows that budgetary controls, segregation of roles, authorization processes, internal audit systems, and financial reporting methods account for 83.2% of the variation in funds management techniques. After accounting for the predictors, 80.2% is still explained, according to the Adjusted R^2 of 0.802. Good predictive accuracy is suggested by the standard error of 0.318. Overall, the results show that public financial control systems are a reliable indicator of efficient school budget administration

Table 9**: ANOVA Results**

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	12.847	5	2.569	25.416	.000[b]
1	Residual	0.809	8	0.101		
	Total	13.656	13			

With an F-value of 25.416 and a p-value of 0.000, both of which are below the 0.05 significance level, Table 9 demonstrates that the regression model was statistically significant. This suggests that financial reporting techniques, internal audit systems, authorization processes, budgetary controls, and segregation of roles all have a substantial impact on finances management practices. As a result, the alternative hypothesis is accepted and the null hypothesis is rejected. The results verify that improving public financial control systems can improve secondary school accountability, transparency, regulatory compliance, and efficient use of public funds.

Table 10**: Regression Coefficients**

Variables	Unstandardized Beta (B)	Standardized Beta (β)	t-value	Sig.(p-value)
(Constant)	0.582	—	2.146	0.064
Budgetary Controls	0.241	0.258	2.984	0.018
Segregation of Duties	0.187	0.201	2.437	0.041
Authorization Procedures	0.263	0.279	3.217	0.012
Internal Audit Systems	0.218	0.234	2.753	0.025
Financial Reporting Practices	0.294	0.316	3.564	0.007

Dependent Variable: Funds Management Practices

Funds management methods were positively and statistically significantly impacted by all five public financial control characteristics, as Table 10 demonstrates. Internal audit systems ($\beta = 0.234$, $t = 2.753$, $p = 0.025$), financial reporting practices ($\beta = 0.316$, $t = 3.217$, $p = 0.007$), authorizations procedures ($\beta = 0.279$, $t = 3.217$, $p = 0.012$), budgetary controls ($\beta = 0.258$, $t = 2.984$, $p = 0.018$), and segregation of duties ($\beta = 0.201$, $t = 2.437$, p

= 0.041). Every effect is statistically significant because every p-value is less than 0.05.

Table 11: Hypotheses Testing Results

Hypothesis	Statement	β (Beta)	t-value	Sig. (p-value	Decisions
H_{01}	Budgetary controls have no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector	0.258	2.984	0.018	H_{01} Rejected
H_{02}	Segregation of duties has no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector.	0.201	2.437	0.041	H_{02} Rejected
H_{03}	Authorization procedures have no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector.	0.279	3.217	0.012	H_{03} Rejected
H_{04}	Internal audit systems have no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector.	0.243	2.753	0.025	H_{04} Rejected
H_{05}	inancial reporting practices have no significant effect on funds management practices in public secondary schools in Gacurabwenge Sector	0.316	3.564	0.007	H_{05} Rejected

Source: Field data, 2026

5 Conclusion and Recommendations

5.1 Conclusions

The findings about the impact of public financial control systems on money management procedures in public secondary schools in Gacurabwenge Sector, Kamonyi District, are the basis for the study's conclusions.

First, the study found that finances management techniques were positively and statistically significantly impacted by budgetary controls ($\beta = 0.258$, $t = 2.984$, $p = 0.018$). Financial discipline, accountability, and effective use of school resources were all facilitated by efficient budget planning, allocation, execution, and monitoring. Therefore, sound budgetary controls offer a crucial basis for the prudent administration of public finances.

Second, the study found that finances management techniques were positively and statistically significantly impacted by division of duties ($\beta = 0.201$, $t = 2.437$, $p = 0.041$). Staff financial duties were divided, which improved checks and balances and decreased the likelihood of mistakes, fraud, and resource abuse. As a result, efficient task segmentation encouraged responsibility and prudent financial management.

Third, the study concluded that authorization procedures had a positive and statistically significant effect on funds management practices ($\beta = 0.279$, $t = 3.217$, $p = 0.012$). Proper authorization and approval of financial transactions ensured that expenditures were legitimate, properly documented, and consistent with approved budgets and financial regulations. Thus, effective authorization procedures strengthened financial accountability and expenditure control. Fourth, the study found that money management methods were positively and statistically significantly impacted by internal audit systems ($\beta = 0.234$, $t = 2.753$, $p = 0.025$). The management of school funds was made more compliant, transparent, and accountable through the identification of irregularities and control deficiencies made possible by regular audits, implementation of recommendations, and financial monitoring.

Finally, the study found that financial reporting methods had the most statistically significant and positive effect on finances management techniques ($\beta = 0.316$, $t = 3.564$, $p = 0.007$). Transparency, accountability, decision-making, and monitoring of school resources were all improved by accurate, fast, comprehensive, and trustworthy financial reporting. Overall, the study comes to the conclusion that increasing efficient, open, and responsible management of public finances requires bolstering all aspects of public financial control systems.

5.2 Recommendations

Based on the findings and conclusions of the study, the following recommendations are offered to strengthen public financial control mechanisms and improve finances management practices in public secondary schools.

1. Recommendation for School Management: To improve accountability, transparency, compliance, and resource utilization, school management should regularly monitor finances and enforce approved budgets, authorizations processes, segregation of duties, audit recommendations, and reporting requirements.
2. Recommendation for School Bursars and Financial Officers: Bursars and financial officers should keep accurate records, prepare reports on time, adhere to financial regulations, keep supporting documentation, carry out audit recommendations, and engage in ongoing financial management professional development.
3. Suggestion for Head Teachers: In order to improve financial oversight, head teachers should make sure that expenditures are properly authorized and documented, check financial reports, keep an eye on budgets, work with bursars, and maintain the proper separation of financial responsibilities.
4. Recommendation to District Authorities: In addition to offering technical support and capacity-building in budgeting, reporting, auditing, and financial controls, Kamonyi District authorities should enhance oversight through routine inspections, financial reviews, and follow-up of audit results.
5. MINEDUC is advised to strengthen budgeting, reporting, internal auditing, authorizations processes, and digital financial management systems in order to increase transparency, accuracy, and efficiency. Additionally, MINEDUC should offer updated financial guidelines, frequent training, and efficient monitoring.
6. Suggestion for Policy Makers: By enforcing regulations, enhancing internal audits and reporting requirements, defining financial responsibilities, and offering sufficient institutional support for efficient financial controls, policy makers should fortify financial management policies and accountability mechanisms.

References

Abdullahi, & Othman. (2022). *Internal audit effectiveness and financial accountability in public-sector organizations in Africa*.

Agaba, M. (2025). Internal control systems and cash flow management in commercial banks in Rwanda. *ASEAN International Journal of Business, 4*(2), 107–119.

Bwimba, M., & Nkechi Irechukwu, E. (2024). Financial reporting practices and organizational performance in public institutions in Rwanda. *Strategic Journal of Business & Change Management, 11*(1), 662–67

Committee of Sponsoring Organizations of the Treadway Commission (COSO). (2013). *Internal control—Integrated framework*. COSO.

Creswell, J. W., & Creswell, J. D. (2023). *Research design: Qualitative, quantitative, and mixed methods approaches* (6th ed.). SAGE Publications.

DiMaggio, P. J., & Powell, W. W. (1983). *The iron cage revisited: Institutional isomorphism and collective rationality in organizational* *fields*. *American Sociological Review, 48*(2), 147–160.

Government of Rwanda. (2022). *Public financial management laws and regulations*. Government Printer

Harelimana, J. B. (2017). Impact of integrated financial management information system on performance of public institutions in Rwanda. *Global Journal of Management and Business Research, 17*(3), 1–12.

Harelimana, J. B. (2017). *Impact of integrated financial management information system on performance of public institutions in Rwanda*. *Global Journal of Management and Business Research, 17*(3), 1–12.

Institute of Internal Auditors. (2017). *International professional practices framework (IPPF)*. The Institute of Internal Auditors.

International Monetary Fund. (2023). *[Public financial management/budgetary institutions source cited in the dissertation]*.

International Organization of Supreme Audit Institutions. (2022). *[Public-sector internal control/authorization guidance cited in the dissertation]*. INTOSAI.

International Public Sector Accounting Standards Board. (2023). *[Public-sector financial reporting guidance cited in the dissertation]*. IPSASB.

Jeanne, U. M. (2019). *Effect of internal control systems on financial performance of public institutions in Rwanda* [Master's thesis, University of Rwanda].

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics, 3*(4), 305–360.

John. (2024). *Financial management practices among heads of secondary schools in Tanzania*.

Juma, et al. (2024). *Internal control mechanisms for managing funds in public secondary schools in Meatu District, Tanzania*.

Kiptoo, et al. (2022). *Effect of budgetary practices on prudent financial management of free secondary education funds in Elgeyo-Marakwet County, Kenya*.

Ministry of Finance and Economic Planning (MINECOFIN). (2021). *Manual of public financial management policies and procedures*. Kigali: Government of Rwanda.

Ministry of Finance and Economic Planning. (2022). *Rwanda public financial management assessment using the Public Expenditure and Financial Accountability (PEFA) methodology*. Government of Rwanda.

Ministry of Finance and Economic Planning. (2023). *[Public financial management/internal audit report cited in the dissertation]*. Government of Rwanda.

Ministry of Finance and Economic Planning. (2024). *[Public financial management and internal control framework cited in the dissertation]*. Government of Rwanda.

Mutuiri, et al. (2023). *Financial reporting and financial management in public secondary schools in Kericho County, Kenya*.

Ntakiyimana, G. (2024). Effect of internal audit on financial reporting quality of government institutions in Rwanda. *International Journal of Research and Innovation in Social Science, 8*(1), 1–12.

Ntakiyimana, G. (2024). *Effect of internal audit on financial reporting quality of government institutions in Rwanda*. *International Journal of Research and Innovation in Social Science, 8*(1), 1–12.

Office of the Auditor General (OAG). (2023). *Annual audit report of state finances for the year ended June 2023*. Kigali: Government of Rwanda.

Omondi, & Kiganda. (2021). *Internal control systems and financial accountability in national public secondary schools in Kenya*.

Saunders, M., Lewis, P., & Thornhill, A. (2023). *Research methods for business students*. Pearson

Taherdoost, H. (2022). *[Source concerning validity, reliability, and measurement efficacy cited in the dissertation]*.

Transparency International Rwanda. (2023). *Analysis of the Auditor General's report 2022–2023 fiscal year*. TI-Rwanda

World Bank. (2025). *Rwanda public financial management and accountability assessment report*. World Bank.

World Bank. (2025). *Rwanda public financial management and accountability assessment report*. Washington, DC: World Bank.

Zenodo. (2024). *Forecasting public sector accountability: Analyzing and predicting audit trends in Rwanda's financial management (2020–2030)*.