Influence of Scholarship Fund Distribution Processes on Retention and Equitable Access to Secondary Education in Luanda Sub-County, Vihiga County.

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Abstract - Financial barriers continue to limit student retention and equitable access to secondary education among learners from disadvantaged households. Although county government scholarship programmes are intended to address these barriers, little empirical evidence exists on how scholarship fund distribution processes influence educational outcomes. This study examined the influence of scholarship fund distribution processes on retention and equitable access to secondary education in Luanda Sub-County, Vihiga County, Kenya. A convergent mixed-methods design was adopted, integrating quantitative and qualitative approaches. Data were collected from 188 parents of scholarship beneficiaries (75.2% response rate), 10 school administrators, five ward administrators, and 27 class teachers through questionnaires, interviews, focus group discussions, and document review. Quantitative data were analyzed using descriptive and inferential statistics, including chi-square and independent *t*-tests, while qualitative data were analyzed thematically using NVivo 14. The findings showed that scholarship fund distribution processes significantly influenced student retention and equitable access to secondary education ($\chi^2 = 6.84$, $p = .009$). Delayed disbursement was widespread, with 75.0% of parents reporting that funds were released after the start of the school term, disrupting attendance and increasing the risk of dropout. Communication regarding scholarship awards, disbursement schedules, and funding continuity was inadequate, with only 30.3% of parents aware that the scholarship guaranteed support throughout the four-year secondary education cycle. In addition, tuition support alone was insufficient, as non-tuition costs remained a major barrier to sustained school attendance. The study concludes that improving the timeliness, predictability, communication, and adequacy of scholarship fund distribution would strengthen student retention and promote more equitable access to secondary education. The findings provide evidence to inform county scholarship policy and administrative reforms aimed at improving educational outcomes among vulnerable learners.

Index Terms- Scholarship Fund Distribution Processes , Equitable Access, Retention Rate, Timeliness of Disbursement, School Exclusion.

I. INTRODUCTION

Access to secondary education is widely recognized as a driver of human capital development, poverty reduction, and social mobility (Sen, 1999; Sotiropoulos & Patrinos, 2018). Globally, Sustainable Development Goal 4 emphasizes inclusive and equitable quality education for all, yet significant disparities in access persist, particularly among low-income households (United Nations, 2015; World Bank, 2022). These disparities are increasingly shaped not only by school availability but also by the effectiveness of education financing systems, including scholarship and bursary programs (Bray & Varghese, 2011; Sifuna, 2020).

In Kenya, reforms such as Free Day Secondary Education have expanded enrollment, but indirect costs such as uniforms, transport, learning materials, and meals continue to impose substantial financial burdens on households (Republic of Kenya, 2008; Uwezo Kenya, 2020). Kenyan households spend approximately 45 percent of their education budget on these hidden costs (Uwezo Kenya, 2020). To address these barriers, both national and county governments have implemented scholarship programs aimed at improving equity in access and retention (Republic of Kenya, 2013; Vihiga County Government, 2023).

Following devolution under the Constitution of Kenya (2010), county governments became key actors in education support through localized scholarship schemes (Republic of Kenya, 2010). In Vihiga County, the county scholarship program targets vulnerable learners in secondary schools. However, concerns remain regarding the effectiveness of its administrative systems, particularly the distribution of scholarship funds, in sustaining learners through to completion (Mitullah, 2012; Gikandi, 2021).

Scholarship fund distribution processes, including beneficiary verification, timeliness of disbursement, communication of payments, and transfer mechanisms, are critical determinants of retention (Bray & Varghese, 2011; Painter & Pierre, 2005). Weaknesses in these processes can disrupt school attendance, increase dropout risk, and undermine equity objectives (OECD, 2019; World Bank, 2020).

International evidence shows that efficient and predictable disbursement systems improve retention by reducing financial uncertainty among households (OECD, 2021; World Bank, 2020). Conversely, in many low- and middle-income countries, delays and inconsistent payments continue to undermine program effectiveness (African Development Bank, 2022; UNESCO, 2021). In Sub-Saharan Africa, such delays are consistently associated with increased dropout risks as households struggle to meet schooling costs despite tuition support (Chimombo, 2019; Lewin, 2002; Nannyonjo, 2022). Each month of delay in scholarship disbursement increases the probability of dropout by approximately 5 to 7 percent (Chimombo, 2019; Nannyonjo, 2022).

In Kenya, county-managed scholarship programs face significant challenges. Only 38 percent of counties have established clear disbursement procedures, and only 25 percent have dedicated staff for scholarship administration (KIPPRA, 2020). Audit reviews have repeatedly highlighted irregularities and inadequate follow-up in county bursary programs, including delayed disbursement, lack of beneficiary verification, and absence of monitoring (Office of the Auditor General, 2022; Controller of Budget, 2023). A 2022 audit of county bursary programs revealed that only 35 percent of counties had established clear disbursement timelines, and only 28 percent had digital tracking systems in place (Office of the Auditor General, 2022).

Despite these challenges, existing research has largely described administrative processes without empirically examining how they influence retention outcomes. Ngando and Muna (2025) described bursary distribution processes in Kwale County but did not analyze how those processes influence retention. Mutune, Okoth, and Mugambi (2025) documented headteachers' implementation of bursary funds but did not examine how implementation processes influence student retention. Njihia (2011) examined Constituency Bursary Committees but did not analyze how administrative processes influence retention outcomes. Consequently, there remains limited empirical evidence on how scholarship fund distribution processes influence retention and equitable access in Luanda Sub-County, Vihiga County.

This study is informed by two complementary theoretical frameworks. Equity Theory (Adams, 1965) explains that perceived unfairness in procedures leads to reduced participation and withdrawal. When procedures are perceived as opaque or biased, potential beneficiaries may become discouraged and withdraw from the system (Herd & Moynihan, 2018). Administrative Capacity Theory (Painter & Pierre, 2005) emphasizes that effective programs require skilled staff, clear procedures, stable budgets, and coordination. Weak capacity manifests in bureaucratic delays, poor coordination, and ineffective tracking (Grindle, 1997; Andrews, Pritchett, & Woolcock, 2017). Together, these theories provide an analytical lens for examining how scholarship fund distribution processes influence retention and equitable access.

Against this backdrop, this study focuses on Luanda Sub-County in Vihiga County, examining how scholarship fund distribution processes influence retention and equitable access to secondary education.

Research Elaborations.

The main objective of the study was to assess the influence of scholarship fund distribution processes on retention and equitable access to secondary education in Luanda Sub-County, Vihiga County.

Specific Objective.

The study was guided by the following specific objectives:

1. To determine the influence of scholarship fund distribution processes on retention in secondary education in Luanda Sub-County, Vihiga County.
2. To examine disparities in retention outcomes among scholarship beneficiaries in Luanda Sub-County, Vihiga County.

II. Methodology.

This study employed a convergent parallel mixed methods design to examine the influence of scholarship fund distribution processes on retention and equitable access to secondary education in Luanda Sub-County, Vihiga County, Kenya. The quantitative component used a cross-sectional survey design, while the qualitative component adopted a phenomenological approach to capturing stakeholder experiences (Creswell & Plano Clark, 2017).

The study area comprised five wards and 25 public secondary schools. The target population included 700 parents/guardians of scholarship beneficiaries, 90 teachers, 20 school administrators, and five ward administrators. A sample of 250 parents/guardians was selected using proportionate stratified random sampling based on the Krejcie and Morgan (1970) formula, yielding 188 respondents (75.2% response rate). Teachers and school administrators were selected purposively, while ward administrators were included through census sampling.

Data were collected using structured questionnaires, semi-structured interviews, focus group discussions, and document analysis of school and county records (2021–2024). The instruments assessed scholarship fund distribution processes; timeliness, adequacy, communication, and tracking in relation to retention outcomes.

Quantitative data were analyzed using SPSS version 27. Descriptive statistics (frequencies, percentages, means, standard deviations) summarized key variables, while chi-square tests examined associations between distribution processes and retention, and independent t-tests compared exclusion frequencies between timely and delayed disbursement groups. Qualitative data were transcribed and analyzed thematically using NVivo 14 (Braun & Clarke, 2006). Findings were integrated through methodological triangulation to enhance validity (Denzin, 2012). Ethical approval was obtained, and informed consent, confidentiality, and voluntary participation were ensured throughout the study.

RESULTS

4.4 Overview of Fund Distribution and Retention Outcomes.

This section presents findings on how scholarship fund distribution processes influence retention and equitable access to secondary education in Luanda Sub-County. The analysis draws on survey data from 188 parents, focus group discussions with 27 class teachers, key informant interviews with 10 school administrators and five ward administrators, and document analysis of school records covering the 2021–2024 period. The results show that retention is strongly shaped by four key dimensions of scholarship fund distribution: timeliness of disbursement, adequacy of support, consistency and predictability of funding, and communication of fund distribution to beneficiaries.

4.4.1 Timeliness of Scholarship Fund Disbursement and Retention.

The findings indicate that delayed disbursement of scholarship funds was widespread and had a direct negative effect on student retention.

A majority of parents reported that scholarship funds were frequently disbursed after the start of the school term, resulting in students being sent home for unpaid fees. This disrupted learning continuity and increased the likelihood of dropout.

School administrators confirmed this pattern, noting that delays forced schools to enforce fee arrears policies even for scholarship beneficiaries, thereby undermining the protective effect of the program.

Table 1.

Response	**Frequency**	**Perc (%)**
Less than 1 month	47	25.0
1 to 2 months	91	48.4
More than 2 months	50	26.6
Total	**188**	**100**

Table 1. states that timely scholarship fund disbursement is essential for student retention. Delays disrupt continuous school attendance, increase absenteeism and dropout, and undermine equitable access to secondary education. Therefore, ensuring timely and predictable disbursement is critical to improving retention outcomes.

4.4.2 Adequacy of Scholarship Funds and Its Effect on Retention.

The study established that scholarship funds primarily covered tuition fees, leaving households responsible for non-tuition costs such as uniforms, transport, learning materials, and meals.

Parents consistently identified these costs as the main reason for student dropout. Despite receiving scholarships, many learners still experienced financial barriers that affected sustained school attendance as indicated in below table2.

Table 2.

Response	Freq	Perc(%)
Yes, fully (tuition and all additional costs)	11	5.9
Mostly (tuition only, some additional covered)	29	15.4
Partially (tuition only, many additional not covered)	57	30.3
Barely (tuition only, most additional not covered)	48	25.5
Not at all (additional costs are a major burden)	43	22.9
Total	188	100

Above findings show that the scholarship was largely inadequate to meet the full cost of secondary education, with 78.7% of parents reporting that it covered tuition only or failed to address most additional educational expenses. This suggests that persistent non-tuition costs remain a significant barrier to student retention and equitable access to secondary education.

4.4.3 Consistency and Predictability of Scholarship Funding.

The results revealed uncertainty in funding continuity due to poor communication regarding automatic renewal policies. Although scholarships were intended to cover the full secondary cycle, many parents were unaware that renewal was automatic. This lack of clarity created uncertainty, leading some households to anticipate future financial burdens and withdraw learners prematurely.

Table 3

Awareness of Funding Policy	Freq	Perce (%)
Aware of 4-year guarantee	57	30.3
Misunderstood policy (reapplication/one-time belief)	111	59.1
Not applicable (Form One only)	20	10.6

Above table indicates that 59.1% of parents misunderstood the renewal policy, indicating major communication gaps. This uncertainty weakens confidence in funding continuity, affects household planning, and may contribute to dropout. Better communication on automatic renewal would improve predictability, retention, and equitable access to secondary education.

4.4.4 Communication of Fund Distribution and Equity Implications.

Communication between county administrators, schools, and parents was limited and uneven. Beneficiaries with better access to school-level information were more likely to remain in school compared to those in less connected or remote contexts.

This created disparities in retention outcomes based on access to administrative communication channels rather than academic ability or financial need.

Table 4

Communication Indicator	Positive Response n (%)	Communication Gap n (%)
Scholarship award notification	77 (41.0)	111 (59.0)
Advance notice of fund disbursement	38 (20.2)	150 (79.8)

The table above indicate that poor communication on scholarship awards and fund disbursement creates uncertainty for parents, disrupts school fee planning, and negatively affects student retention. Improving timely and clear communication would strengthen retention and promote equitable access to secondary education.

Statistical Evidence on Administration.
School records provided quantitative evidence of variation in educational outcomes linked to administrative processes.
Table 4.39 (school records) showed an overall completion rate of **63.4%** among scholarship beneficiaries across 2021–2022 cohorts.
Additionally, analysis of tracking-linked administrative follow-up revealed significant differences in completion outcomes:

- Students with follow-up support: **69.4% completion**
- Students without follow-up: **47.7% completion**
- Difference: **21.7 percentage points**
- Statistical test: **χ^2 = 6.84, df = 1, p = .009**

4. Discussion of Findings.

The study found that scholarship fund distribution processes significantly influence retention and equitable access to secondary education in Luanda Sub-County, Vihiga County. While the scholarship program improves enrolment, its effectiveness in ensuring sustained participation is constrained by administrative inefficiencies.
Delays in fund disbursement negatively affected retention by disrupting school attendance and causing learners to be sent home for fee arrears. Only 25.0% of parents received funds within one month, and 59.1% reported that funds always arrived after the term began. This finding aligns with Lewin (2002), who observed that unpredictable funding undermines household financial planning and is associated with increased dropout risk when expected support fails to materialize at the critical moment of fee payment. The finding also aligns with Omondi and Achieng (2024), who studied bursary programs in Homa Bay County and found that delays of more than one month increased the probability of dropout by 34 percent. The large effect size (Cohen's d = 0.93) indicates that the relationship between disbursement timeliness and retention is not only statistically significant but practically meaningful.
In addition, scholarship support was largely limited to tuition fees, leaving households to cover non-tuition costs such as uniforms, transport, and learning materials, which contributed to dropout. Only 5.9% of parents felt fully covered, while 94.1% reported additional costs as a burden. Among parents whose children dropped out, 76.6% cited non-tuition costs as the primary reason. This finding aligns with Njeru and Orodho (2003), who found that Kenyan households spend an average of 37.3% of their education budget on indirect costs. More recent evidence from Uwezo Kenya (2020) indicates this proportion has increased to approximately 45% for low-income households. The non-tuition gap identified in this study challenges the assumption that fee removal is the primary solution to educational access barriers.
Weak communication and uncertainty about scholarship renewal reduced household confidence in continued support, leading to premature withdrawal of learners. Only 30.3% of parents were aware of the four-year automatic renewal policy, and 61.7% of parents whose children dropped out cited perceived non-renewal or delay as a contributing reason. This finding introduces the concept of a communication-perception gap, the disconnect between policy reality (automatic renewal) and parental perception (belief that reapplication is required). As Herd and Moynihan (2018) argued, the psychological costs of navigating complex systems, including uncertainty about future support, can be as damaging to program participation as direct financial costs. This finding also aligns with Oanda and Chege (2018), who found that poor communication in Kenyan bursary programs exacerbated the negative effects of delays.
The study also found evidence of inequity in access, where students in better-administered schools or those receiving follow-up support had higher completion rates. Statistical results confirmed a significant association between administrative follow-up and completion outcomes (χ^2 = 6.84, p = .009), indicating that stronger administrative engagement improves retention. Students who received follow-up completed at 69.4% compared to 47.7% for those who received no follow-up; a 21.7 percentage point gap. This finding supports Administrative Capacity Theory (Painter & Pierre, 2005), which emphasizes that effective program implementation requires dedicated staff, data systems, and coordination mechanisms. The absence of follow-up mechanisms represents a capacity deficit that undermines program effectiveness.
Overall, the findings demonstrate that scholarship fund distribution processes influence retention through four key mechanisms: timeliness of disbursement, adequacy of support, communication and predictability, and administrative follow-up. The study concludes that scholarships function more effectively as enrolment enablers than retention guarantees when administrative systems are weak. This finding is consistent with Equity Theory (Adams, 1965), which suggests that perceived unfairness in procedures leads to reduced participation and withdrawal. When parents perceive scholarship processes as unpredictable, opaque, or inadequate, they lose confidence and withdraw their children from school. Without strengthening the administrative systems that govern fund distribution, scholarship programs will continue to support enrolment without ensuring retention or completion.

VI. CONCLUSION

The study concludes that scholarship fund distribution processes significantly influence student retention in secondary education in Luanda Sub-County, Vihiga County. Delays in fund disbursement, inadequate communication regarding payments and renewal policies, and insufficient coverage of non-tuition costs were found to increase absenteeism and contribute to dropout, particularly among learners from low-income households.

The findings further indicate that differences in administrative support and follow-up mechanisms across schools affect retention outcomes, with students receiving stronger institutional support demonstrating higher completion rates.

Overall, the study establishes that retention is not determined by financial support alone, but also by the efficiency and effectiveness of distribution processes. Improving disbursement timeliness, strengthening communication systems, expanding support for non-tuition costs, and enhancing follow-up mechanisms would significantly improve student retention in secondary education.

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