European Journal of Economic and Financial Research
ISSN: 2501-9430
ISSN-L: 2501-9430
Available on-line at: http://www.oapub.org/soc

DOI: 10.46827/ejefr.v10i4.2240 Volume 10 | Issue 4 | 2026

INFLUENCE OF BUDGETING, DISBURSEMENT AND UTILIZATION OF FUNDS, FINANCIAL REPORTING, MONITORING AND EVALUATION ON PERFORMANCE OF CDF FUNDED PROJECTS IN WESTERN REGION, KENYA

Harriet Kilala[1],
Margaret Omondi[2i],
Omare Domnic[3]
[1]MBA Student,
Kaimosi Friends University,
Kenya
[2]Dr.,
Dean School of Business and Economics,
Kaimosi Friends University,
Kenya
[3]Dr.,
Lecturer, Accounting and finance,
Kaimosi Friends University,
Kenya

Abstract:
Many CDF-funded projects in Western Kenya remain incomplete or poorly executed, raising concerns about the effectiveness of fund management. While funds are disbursed annually to support local development, the Performance of these projects often falls short. Existing studies have focused broadly on public finance management, but little empirical research has examined how specific fund management practices influence project outcomes under the CDF model. The main aim of the research was to determine the influence of fund management practices on the Performance of CDF-funded projects in the Western Region. The specific Objectives of the study were to assess the influence of budgeting on Performance, examine the effect of disbursement and utilization of funds on Performance, evaluate the influence of financial reporting on Performance and establish the influence of monitoring and evaluation on Performance of CDF-funded projects in the Western Region. The study was guided by public budgeting theory, agency theory, stewardship theory and public finance management theory. This study employed a correlational research design. The study targeted 825 respondents comprising 33 project managers, 165 project management committee (PMC) members, 231 NGCDF committee members, 33 Finance Officers in the NG-CDF office, 33 Sub-County Monitoring and Evaluation Officers and 330 Beneficiaries of the CDF projects

[i] Correspondence: email markaonda@gmail.com, momondi@kafu.ac.ke, domare@kafu.ac.ke

from the 33 Constituency Development Fund (CDF) offices across Western Region. The study employed stratified random sampling to select participants. Both descriptive and inferential statistics were used to analyze the data. Regression analysis showed that budgeting, disbursement and utilization of funds, financial reporting and monitoring and evaluation had a significant effect on the performance of CDF with a coefficient .673, .391, .497 and .582 respectively. The study depicted that 69.1% of the variation in the performance of CDF-funded projects is explained by the four independent variables. The study concluded that budgeting, disbursement and utilization of funds, financial reporting and monitoring and evaluation had a positive and significant effect on the performance of CDF-funded projects in western Kenya. The study recommended that project planners and county officials ensure that all CDF project budgets are prepared based on accurate market prices and that projects are implemented strictly according to approved budgets. Project managers and county officials ensure that all funds are utilized promptly within the designated financial periods.

JEL: H72 – State and Local Budget and Expenditures; H61 – Budget; Budget Systems; H83 – Public Administration; Public Sector Accounting and Audits; H76 – State and Local Government: Other Expenditure Categories; O22 – Project Analysis; R58 – Regional Development Policy

Keywords: budgeting, disbursement, utilization of funds, financial reporting, monitoring and evaluation, performance of CDF funded projects, Western Region, Kenya

1. Background of the Study

Effective management of funds in publicly financed development projects is pivotal to ensuring that allocated resources translate into tangible, sustainable benefits. Across the globe, countries have adopted various decentralized fund management models similar to Kenya's Constituencies Development Fund (CDF) to promote equitable distribution of resources and enhance local development outcomes. Such models are designed to channel public funds directly to local administrative units or communities, empowering them to identify, plan, and implement projects that address their specific developmental needs (Fasesin, 2022). However, many projects continue to face performance challenges such as cost overruns, delays, poor disbursement and utilization of funds, and weak accountability, which often contribute to low project completion rates. These issues undermine the efficiency of public investments, highlighting the need for more transparent, timely, and effective fund management practices (Ahmed S. , 2022).

Nigeria's decentralized funding environment has been marred by delayed fund releases, weak documentation, and limited community involvement, all of which have negatively impacted project implementation. The politicization of fund management processes has often led to misallocation and underperformance of development projects. Nevertheless, the ongoing discourse on strengthening financial systems and enhancing

transparency reflects a growing recognition of the need for reforms. These challenges and responses highlight the complexities involved in managing devolved funds in environments with weak institutional frameworks (Fasesin, 2022).

In Uganda, improvements in audit systems and community monitoring committees have aimed to bolster financial accountability. However, challenges related to capacity constraints and inefficient fund absorption continue to affect project outcomes. The efforts to improve financial management through institutional strengthening and participatory oversight demonstrate the critical role of local capacity and stakeholder engagement in managing decentralized funds effectively (Christine, 2021).

In Kenya, the Constituency Development Fund (CDF) was introduced in 2003 with the aim of decentralizing development financing and empowering local communities to identify and carry out initiatives that cater to their particular requirements. This devolved funding mechanism, particularly in the Western Region of Kenya, has been instrumental in financing essential infrastructure, health, and educational projects. However, despite the substantial investments made, concerns persist regarding the Performance of these projects, with many failing to deliver timely and cost-effective outcomes. It is therefore imperative to critically examine how fund management practices influence the financial success of CDF-funded projects in this region (Hussein, 2020).

Within Kenya, the CDF program faces persistent governance challenges, including delayed disbursement, inadequate financial reporting, and political interference at the constituency level. Auditor General reports (2021; 2023) consistently document these issues, revealing systemic weaknesses in fund management that hinder project completion and inflate costs. Nonetheless, certain constituencies that have adopted participatory budgeting and enforced audit compliance show improved financial outcomes. These observations suggest that institutional reforms and enhanced stakeholder engagement can contribute significantly to better fund management in devolved contexts (Wamuru & Kikwatha, 2025).

In Western Kenya, the performance of NG-CDF-funded projects has raised increasing concern due to a disproportionately high number of stalled and incomplete projects compared to the national average. While nationally over 35% of NG-CDF projects experience delays, cost overruns, or irregularities, evidence from audit reports and regional project reviews indicates that the Western Region records an even higher incidence of stalled projects, with several constituencies reporting persistent delays in the completion of key infrastructure such as water, health, and education facilities. For instance, projects such as the Lugari Sub-County water project and the maternity and children's wing at Alupe Sub-County Hospital remain incomplete despite substantial financial allocations, reflecting inefficiencies in fund management practices within the region. These challenges are further exacerbated by socio-political dynamics such as clan-based politics and limited institutional oversight, which contribute to project delays, cost overruns, and poor sustainability (Hassan & Mehmood, 2024).

Effective fund management integrates several key components: accurate budgeting and planning, timely disbursement and prudent disbursement and utilization, transparent financial reporting and accountability, and rigorous monitoring and evaluation. Each element contributes to ensuring that money is spent effectively, projects are finished on schedule and within budget, and benefits are sustained. Without such integrated management, projects risk delay, cost overruns, and failure to deliver lasting impact (Kalume & Ng'ang'a, 2024).

Considering these insights, the study seeks to investigate the impact of fund management on the Performance of CDF-funded projects in Western Kenya. While existing literature provides a broad understanding of decentralized funding challenges, there is a gap in empirical evidence specific to this region and the unique context of CDF projects. Understanding the roles of budgeting, disbursement, reporting, and monitoring will inform strategies to enhance project completion rates, cost control, and sustainability, thereby improving the impact of devolved funds in Western Kenya.

1.2 Statement of the Problem

Many CDF-funded projects in Kenya continue to stall, exceed budgets and fall into disrepair, raising serious concerns about the effectiveness of fund management in delivering community development outcomes. The expectation is that projects financed through the National Government Constituencies Development Fund (NG-CDF), backed by substantial public investment, should be implemented efficiently, completed on time, and provide sustainable benefits to local communities. Ideally, effective budgeting, timely disbursement, transparent financial reporting, and rigorous monitoring would ensure strong performance and value for money. However, the reality has been far from ideal. Nationally, the NG-CDF received KES 41.7 billion in the 2022/2023 financial year, yet the Office of the Auditor-General reported that more than 35% of funded projects faced delays, cost overruns, or irregularities due to poor fund disbursement and utilization, weak accountability, and inadequate oversight. A case in point is the Lugari Sub-County water project, which stalled despite an allocation of over KES 18 million, while the maternity and children wing at Alupe Sub-County Hospital remains incomplete even after consuming more than KES 25 million (Office of the Auditor General, 2024). These inefficiencies have denied communities timely access to essential services, eroded public trust, and undermined the intended impact of decentralization. Stakeholders, including citizens, local leaders, and oversight bodies, suffer the consequences of these shortcomings through wasted resources and underdevelopment.

1.3 Objectives of the Study

1) Assess the influence of budgeting on the performance of CDF-funded projects in the Western Region.
2) Examine the influence of disbursement and utilization of funds on the performance of CDF-funded projects in the Western Region.

3) Evaluate the influence of financial reporting on the performance of CDF-funded projects in the Western Region.
4) Establish the influence of monitoring and evaluation on the performance of CDF-funded projects in the Western Region.

2. Literature Review

2.1 Theoretical Framework

This study was guided by the following theories: public budgeting theory, agency theory, stewardship theory and public finance management theory.

2.2.1 Public Budgeting Theory

Public Budgeting Theory was first articulated by Key (1940), who emphasized that budgeting in the public sector is fundamentally a political and economic process involving decisions on the allocation of scarce resources among competing needs. Key argued that creating a budget should not merely be viewed as an administrative or accounting task, but instead as a tactical tool for policy implementation, efficiency, and accountability. The central assumption of this theory is that rational and well-structured budgeting processes lead to optimal allocation of resources, which thus improves the efficiency and effectiveness of public projects. In the context of this study, this establishes a direct causal link between budgeting practices and project performance, particularly in terms of cost control and timely completion.

Despite these contributions, Public Budgeting Theory faces limitations, particularly in developing country contexts. The assumptions of rational decision-making, the availability of reliable data, and strong institutional capacity are often not met. Political interference, weak governance structures, and limited technical expertise can disrupt the expected relationship between budgeting and performance (Khan, 2024). This highlights a key theoretical gap: while the theory predicts a strong connection between performance and budgeting, the extent to which this relationship holds in decentralized and institutionally constrained environments such as CDF projects in Western Kenya remains unclear.

2.2.2 Agency Theory

Jensen and Meckling established agency theory in 1976 to describe the interaction between principals and agents. The agents are tasked with resource management on behalf of principals. The theory assumes that agents are self-interested and may not always behave in a way that best serves the principals, particularly in the presence of inadequate monitoring systems and information imbalance. This creates agency problems, which manifest as inefficiencies, misuse of resources, and poor performance outcomes.

Bo and Driver (2012) introduced the idea that agents may also be motivated by intrinsic factors such as reputation and public service motivation. This introduces an important modification to the theory by suggesting that not all agent behavior is opportunistic, and that under certain conditions, agents may act in ways that enhance project performance even in the absence of strict controls. Further developments by Panda and Leepsa (2017) propose hybrid models that combine control mechanisms with trust-based approaches. These models suggest that effective performance outcomes are achieved when monitoring systems are complemented by transparency and stakeholder engagement. In the context of this study, this implies that financial reporting and monitoring are more effective when combined with participatory approaches.

However, Agency Theory has limitations, particularly in contexts where monitoring capacity is weak and institutional systems are underdeveloped (Khoreva & Wechtler, 2020). High monitoring costs, insufficient technical capability and lax enforcement mechanisms may reduce the effectiveness of control-based approaches. This creates a theoretical gap regarding how effective financial reporting and monitoring mechanisms are in improving performance within decentralized systems such as CDF.

2.2.3 Stewardship Theory

Stewardship Theory was put forth by Donaldson and Davis (1991). It makes the assumption that agents are inherently driven to operate in the organization's or community's best interests. The theory emphasizes trust, shared goals, and intrinsic motivation as key drivers of performance. Unlike Agency Theory, which focuses on control and monitoring, Stewardship Theory underlines the need for participation, empowerment, and involvement of stakeholders.

In this study, Stewardship Theory is particularly relevant in explaining how monitoring and evaluation processes that involve community participation can enhance project performance. When stakeholders participate actively in budgeting, implementation, and monitoring, they are more likely to ensure that initiatives achieve their goals and that resources are spent efficiently.

However, Stewardship Theory has been criticized for its optimistic assumptions regarding human behavior, particularly in environments characterized by political interference and corruption (Steinfeld, 2023). This creates a theoretical gap concerning the extent to which participatory and trust-based approaches can improve performance in CDF projects, especially in regions with governance challenges such as Western Kenya.

2.2.4 Public Finance Management Theory

Public Finance Management Theory, which was developed by Musgrave and Musgrave (1959), provides the institutional framework for managing public resources. It emphasizes the processes of budgeting, fund disbursement, financial reporting, and auditing as essential components of effective financial management. The theory assumes

that well-functioning financial systems lead to efficient resource disbursement and utilization and improved project performance.

Musgrave (1996) further emphasized the need for fiscal discipline, transparency, and institutional capacity in ensuring effective financial management. These elements are directly linked to the study variables, particularly fund disbursement and utilization and financial reporting.

Despite its strengths, PFM Theory assumes the existence of strong institutions and compliance mechanisms, which may not always be present in decentralized systems (Kravchuk, 2023). This creates a theoretical gap regarding the effectiveness of formal financial management systems in improving performance in contexts with weak institutional capacity, such as CDF-funded projects.

2.3 Conceptual Framework

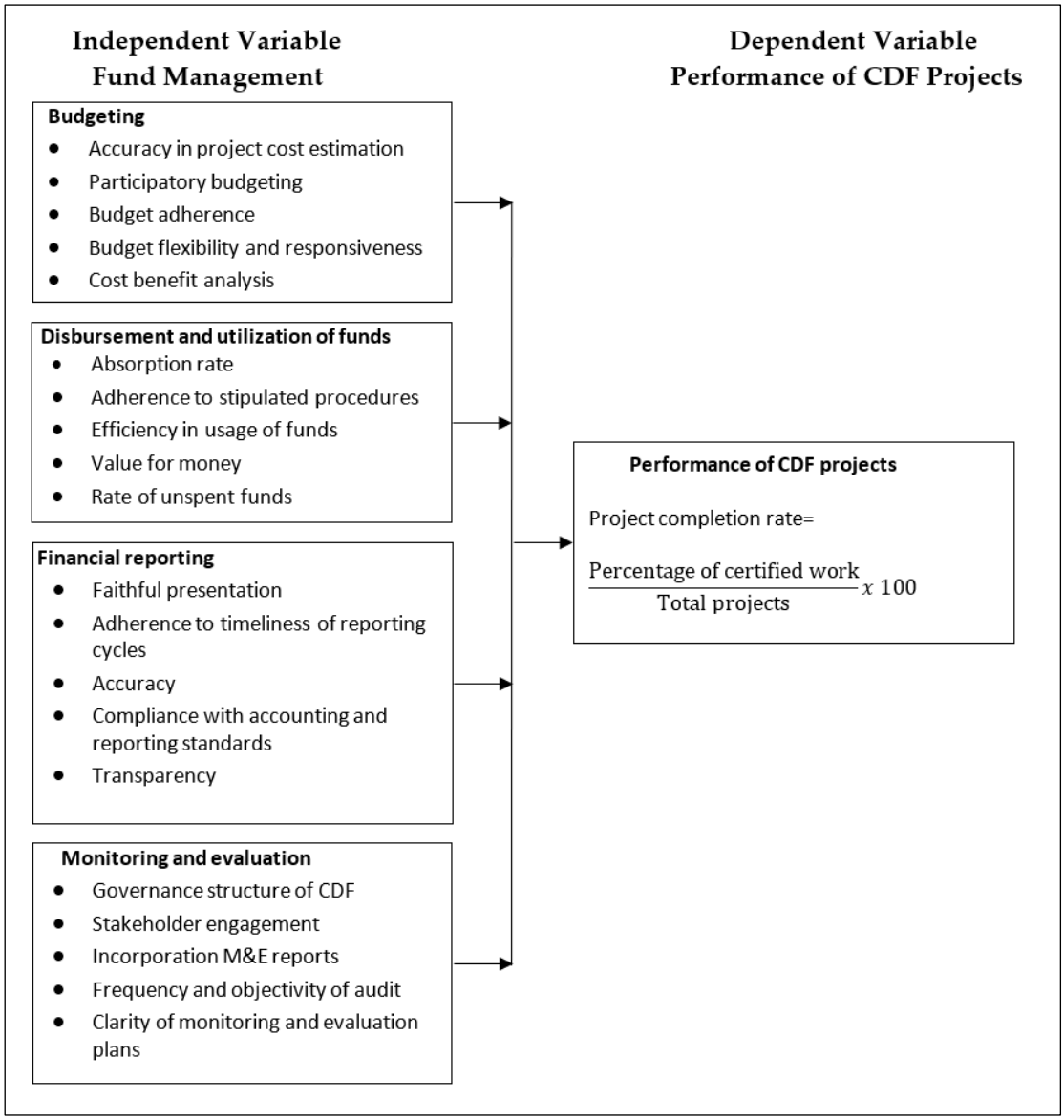


Figure 2.1: Conceptual Framework

2.4 Empirical Review

2.4.1 Budgeting and Performance of CDF-funded Projects

Hassan and Mehmood (2024) did a study on budgeting and the budgetary control system affecting Pakistan SMEs' performance. 187 replies were obtained from the study's physical questionnaire, which used purposive sampling, with a sample size of 210 respondents. The findings of the current study brought to light that budgeting and budgetary management systems significantly improved the performance of SMEs. The report advises top managers to use caution when creating a budgetary plan and to take action to resolve current problems with the budgetary management system.

Otoo (2024) did a study on budgeting and planning practices on organizational performance of small-and medium-scale enterprises in Ghana. Data was gathered from 72 medium-sized businesses and 45 small businesses. The study's conceptual framework and hypothesis were then tested by means of structural equation modeling (SEM), which can simultaneously test several relationships between observed and latent variables, giving a more in-depth understanding of the dynamics of organizational factors. The results showed that the organization's performance is significantly impacted by working capital, meaning that the effective management of working capital is of great importance to achieve operational efficiency.

Abdi and Ngahu (2025) carried out a study on participatory Budgeting and Performance of National Government Constituency Development Fund Projects. A descriptive research design was used to investigate the existing 39 ongoing NGCDF projects in Molo constituency. The project managers from each project, three from the Project Management Committee (PMC), and ten members of the NGCDF committee were the units of observation in the study. This led to 117 PMC members and 10 NGCDF committee members participating in the study. Structured questionnaires consisting of quantitative data were used to gather quantitative data regarding budgeting and performance.

2.4.2 Disbursement and Utilization of Funds and Performance of CDF Funded Projects

Chulu *et al.* (2021) did a study on Constituency Development Fund (CDF) Disbursement, Access and Disbursement and utilization in the Education Sector, Chadiza District, Eastern Province, Zambia. A case study and qualitative research methodology were employed in this investigation. The decentralization theory served as the study's inspiration. Every participant was included in a purposive sample. Interview and observation guidelines were used to gather data. Results were gathered, coded, and written down. The method of thematic data analysis was applied. The results showed that the management of CDF needed to be improved in a number of areas, including upfront material mobilization, Project selection, community participation, distribution and payment, procurement, openness, and responsibility. However, the study was embedded purely on qualitative methods, which might have restricted the ability to quantify the strength of relationships between disbursement/disbursement and

utilization and Performance. It was also limited to the education sector in one district, making it difficult to generalize findings to broader development projects funded by CDF.

Kabogo and Rusibana (2021) conducted a study on project Fund Management and Performance of the Great Lakes Trade Facilitation Project of Minicom, Rwanda. A descriptive-correlation research design was used to study the 119 staff members of a single project implementation unit of the Great Lakes Trade Facilitation Project (GLTFP) in MINICOM. Quantitative as well as qualitative data were collected using organized questionnaires and interview guides to gain insights into the financial practices project's performance. The data analysis was carried out using SPSS Version 23. The results showed that there are positive correlations between financial budgeting, budget allocation, fund control and project performance. The regression analysis also revealed that funds disbursement and funding utilization had a significant and positive influence on the project results. The results demonstrate that structured financial management and good financial control are crucial elements in figuring out project success, further substantiating the idea that systematic financial planning and monitoring are essential to meet project performance goals in large-scale government projects.

Odiyo *et al.* (2024) studied the relationship between fund disbursement and the financial viability of public secondary schools in Kenya, using fund accounting theory as the guiding theory. A descriptive research design using a mixed-methods approach was employed in the study, and a total of 50 public secondary schools were studied, giving a total of 100 respondents (bursars, accounts clerk, school principals) who formed a census. Closed-ended questionnaires were employed to collect primary data, whereas financial statements, which are audited, were used to gather secondary data. Kaiser-Meyer-Olkin (KMO) measures were used to test the validity of the research instruments, while Cronbach's alpha was used to test the research instruments for reliability. The instruments were pilot-tested with 10 respondents in Kakamega County to improve them. The study revealed that timely and efficient fund disbursement is important in the financial sustainability of the schools, and the need to have accountability and transparency on how the funds are used to ensure the continuity of school operations and institutional goals. The findings of this research indicated that fund disbursement had a favorable and important impact on the financial sustainability of public secondary schools.

2.4.3 Financial Reporting and Performance of CDF Funded Projects

Tran *et al.* (2021) examined the role of accountability in the success and the quality of financial reporting of public organizations in Vietnam. The information was gathered via distributing a survey to 177 public sector accountants and managers. The research model and hypotheses have been tested by appropriate statistical techniques, and the results showed that accountability has a critical mediating role between the financial reporting quality and organizational performance. The study emphasizes that effective

accountability arrangements are crucial to ensure the soundness, transparency and effectiveness of financial reporting and consequently to improve the performance of institutions. The results are useful for practical applications for public sector institutions to enhance their operational performance by implementing good financial governance and taking control of their finances.

2.4.4 Monitoring, Evaluation and Performance of CDF Funded Projects

Jalil (2024) examined the effects of Monitoring and Evaluation (M&E) Technical Capacity and M&E Stakeholder Participation on Project Performance in order to offer the organization a way to raise the level of project performance. The data was shared by 215 respondents. SPSS was used to run the data, while AMOS software was used for structural equation modeling (SEM) analysis. The findings demonstrate that M&E Stakeholder Participation and M&E Technical Capacity both considerably improve project performance.

Akakulubelwa and Katongo (2025) examined the Effectiveness of Monitoring and Evaluation Techniques in Public Sector Projects, CDF Loans in the Mtendere Areas of Lusaka. The study combined data from primary and secondary sources and employed a descriptive design. The sample size of 150 was determined based on the research's target population of 250. In order to acquire and analyze data using qualitative methodologies, purposeful and systematic sampling was used. Community members actively participated in the monitoring and assessment of loan disbursement, according to the study. Additionally, a tracking system for all loan recipients in the study region was created by the local government. The study came to the conclusion that monitoring and assessment tools were useful for tracking, keeping an eye on, and assessing the beneficiaries' loan performance.

Gibson (2025) did a study on monitoring and evaluation practices and performance of the National Government Constituencies Development Fund Projects in Kenya. The study employed a descriptive research design. The intended audience will be NG-CDF projects in Nyaribari Masaba Constituency, and the respondents will be 2376, comprising monitoring and evaluation teams from various organizations, CDF committee members, members of the public, elected leaders, government leaders and religious leaders. Reliability was assessed using Cronbach's alpha test. In terms of data analysis, descriptive statistical techniques such as mean and standard deviation were employed to analyze the quantitative data. The study revealed a significant positive impact of monitoring and evaluation on the performance of NG-CDF projects in Nyaribari Masaba Constituency.

3. Research Methodology

3.1 Research Philosophy

The study employed a positivist research philosophy, which was grounded in the belief that reality was objective and could be observed and measured using empirical methods. This philosophy was relevant to the study as it sought to determine the influence of specific fund management practices such as budgeting, disbursement and utilization of funds, financial reporting, and monitoring and evaluation on the performance of CDF-funded projects in the Western Region using quantifiable data. The positivist approach supported the use of structured instruments such as questionnaires and secondary financial data collected from CDF projects to test hypotheses and establish statistical relationships between the study variables.

3.2 Research Design

The study adopted a correlational research design, which is appropriate for examining the relationships between fund management practices and the Performance of CDF-funded projects in the Western Region. This design enabled the researcher to statistically assess the degree and direction of association between independent variables such as budgeting and planning, disbursement and utilization of funds, financial reporting and accountability, and monitoring and evaluation and the dependent variable, Performance.

3.4 Target Population

The study's target population was made up of 825 respondents comprising 33 project managers, 165 Project Management Committee (PMC) members, 231 NG-CDF committee members, 33 finance officers in the NG-CDF offices, 33 Sub-County Monitoring and Evaluation Officers, and 330 beneficiaries of CDF infrastructural projects drawn from the 33 CDF-funded infrastructural projects in the Western Region.

3.5 Sampling Technique

The study employed stratified random sampling as the primary sampling technique. This method is appropriate because the target population is composed of distinct sub-groups, including project managers, Project Management Committee (PMC) members, NG-CDF committee members, finance officers, monitoring and evaluation officers, and beneficiaries. To determine the appropriate sample size from the total population of 825 respondents, the study adopted Yamane's (1967) formula, which was widely recognized for its simplicity and effectiveness in sample size determination for finite populations. Therefore, a sample size of approximately 269 respondents was selected proportionately from each stratum using simple random sampling within each group.

3.6 Data Collection Instruments

The study utilized questionnaires as the primary data collection instrument, specifically employing closed-ended questions structured on a five-point Likert scale ranging from strongly disagree to strongly agree. This format was appropriate for capturing respondents' attitudes, perceptions, and experiences in a standardized and quantifiable manner.

3.7 Data Collection Procedure

After receiving an authorization letter from the Directorate of Graduate Studies and permission from the National Commission for Science Technology and Innovation to conduct the study, the researcher first trained the study assistants who aided with data gathering. The research assistants distributed questionnaires to the relevant universities. The responders then had two weeks to complete the surveys.

3.8 Pilot Study

A pilot study was conducted at Saboti Constituency Development Fund office in Trans Nzoia County to pre-test the questionnaire and ensure its clarity, consistency, and suitability for the main study. Saboti was considered appropriate for the pilot because it shares similar administrative and operational characteristics with other constituencies in the Western Region, including project types, fund management structures, and stakeholder composition. This comparability enhanced the relevance of the feedback obtained from the pilot. Based on the 5–10% rule of thumb for determining the pilot study sample size as suggested by Green (2020), the pilot will involve 27 respondents, comprising 1 project manager, 5 Project Management Committee (PMC) members, 7 NG-CDF committee members, 1 Finance Officer in the NG-CDF office, 1 Sub-County Monitoring and Evaluation Officer, and 12 beneficiaries of CDF projects.

3.8.1 Reliability of Research Instruments

Reliability is the extent to which a research instrument can yield the same results when used repeatedly. Greater reliability of instruments is achieved if the data required are explicitly defined and piloted several times with the instrument to increase the precision of the measurement. The Cronbach's alpha reliability (0–1) was used to test reliability in these studies. Those values with scores below 0.70 were deemed unreliable and not accepted, whereas those values falling in the range 0.7 to 1.00 indicated high reliability as the instruments were always found to measure the intended constructs (Ahmed & Ishtiaq, 2021). Reliability tells how consistently a method measures something.

Table 1 illustrates reliability findings.

Table 1: Reliability of Research Instruments

Variable	Cronbach alpha	Number of items	Result
BC	0.847	10	Reliable
UT	0.784	10	Reliable
FR	0.871	10	Reliable
ME	0.759	10	Reliable
OP	0.735	10	Reliable

From the results in Table 1, the study established that budgeting, disbursement and utilization of funds, financial reporting, monitoring and evaluation and performance had a Cronbach alpha of 0.847, 0.784, 0.871, 0.759, and 0.735 respectively indicating that all of the structures were consistent given that the values exceeded 0.7 in significance.

3.8.2 Validity of Research Instruments

The validity of research tools is the extent that the instrument measure what it is used to measure. For this study, the questionnaires were evaluated by experts, which consisted of supervisors and lecturers in the accounting and finance field. They were requested to identify ambiguous, irrelevant, inappropriate, and awkwardly phrased items and suggestions were made to restructure the questions appropriately to ensure clarity and relevance (Surucu & Maslakci, 2020). In addition, a measure of construct validity was performed by conducting factor analysis to determine whether the dimensions being measured were representative of the theoretical constructs. The observed variables were reduced in dimension to ensure that each factor was able to capture the intended concepts without duplication. Kaiser-Meyer-Olkin (KMO) and Bartlett's tests were conducted again to determine the appropriateness of the data for factor analysis. The KMO value was greater than 0.5 and Bartlett's test showed significance more than 0.05, which indicated that the data set was suitable for factor analysis, and that the instrument was suitable for representing the constructs being studied (Ahmed & Ishtiaq, 2021). This strict approach led to conceptually and statistically sound research instruments that promoted confidence in the results' reliability.

Validity results are shown in Table 2.

Table 2: KMO and Bartlett's Test Results

Construct	No of Items	KMO	Bartlett's test of sphericity		
			χ^2	Df	P-value
BC	10	0.872	26.671	45	0.000
UF	10	0.941	38.835	45	0.000
FR	10	0.851	39.781	45	0.001
ME	10	0.833	23.719	45	0.000
OP	10	0.902	29.518	45	0.001

Results in Table 2 show that the data from the budgeting, disbursement and utilization of funds, financial reporting, monitoring and evaluation and performance under the

research were appropriate since KMO values were more significant than 0.5. Bartlett's Test was used to determine if the concepts have equal modifications. Besides, a considerable test shows the data is sufficient and perfect for factor analysis since the they had p-values below 0.05 for all variable.

3.9 Data Processing, Analysis, and Presentation

Once the data were collected, the data set was carefully cleaned, sorted and coded for subsequent analysis employing the Statistical Package for Social Sciences (SPSS). This was done using both descriptive and inferential statistical methods in order to obtain meaningful insights. Descriptive statistics enabled visualization of the data and the presentation of the results in an interpretable way, such as mean, standard deviation, standard error, minimum and maximum values. Inferential statistics, on the other hand, enabled the researcher to draw conclusions and make predictions beyond the sample data. Pearson's product-moment correlation coefficient was used to measure the correlation between the variables of the study. The researcher also used multiple regression analysis, which enabled him to check the effect of the independent variables on the dependent variable while eliminating the influence of other variables. Table, chart, graph and diagrams with figures were used to present findings to ensure clarity and facilitate understanding. This methodological approach allowed an overall pattern to be obtained within the data and the causal relationships among the variables.

The effects of fund management and the Performance of CDF in Western Region was modelled using the following regressions equation.

$$FP = \beta_0 + \beta_1 BP + \beta_2 DU + \beta_3 FRA + \beta_4 ME + \varepsilon_{it}$$

FP - Represents Performance,
β_0 - Constant,
β_1, β_2, β_3, β_4 - Regression coefficients,
BP - Represents budgeting and planning,
DU - Represents disbursement and disbursement and utilization of funds,
FRA - Represents financial reporting and accountability,
ME - Represents monitoring and evaluation.
ε_{it} – The error term

3.9.1 Test of Normality

A normality test was performed to determine if the data gathered were from a normal population, and for the required selection of the appropriate statistical test. Normality assessment determines if parametric tests or non-parametric tests are the appropriate method for analysis. The Shapiro-Wilk test was used to statistically test the normality, with the assumption of the null hypothesis that the data would be normally distributed. If the p-value was greater than 0.05, it was concluded that the data were not significantly

different from normal, and the null hypothesis was rejected (Horvath, Kokoszka, & Wang, 2020). Other tests performed included z-critical values and close to 1.96, and w-values close to 1 (Ahmad & Khan, 2015).

3.9.2 Test of Auto-correlation

Auto-correlation was used to determine the relationship between the present value of a variable and the previous value of the same variable over different time periods. In a time-series context, this is particularly important as autocorrelation can lead to overly large standard errors for regression coefficients and to inaccurate statistical inferences. A positive autocorrelation coefficient value of +1 means that there is a totally positive correlation, while a negative value of the coefficient, -1, means that there is a totally negative correlation (Uyanto, 2020). The Durbin-Watson test was used in this case to identify autocorrelation in the data set of fund management and performance variables. The null hypothesis was that no serial correlation was present in the data.

3.9.3 Test of Heteroscedasticity

To investigate if the variance of the residuals remained constant over the different levels of the independent variables, heteroscedasticity was explored. The assumption of heteroscedasticity is one of the key assumptions of regression analysis, and when this is violated, regression estimates might be biased or inefficient (Cattaneo *et al.*, 2018). Homoscedasticity means the residual variance is equal throughout the tables and is necessary for the regression coefficients to be accurate. Homoscedasticity was checked using the Breusch-Pagan test with the null hypothesis that the residuals are homoscedastic. A chi-square derived probability of > 0.05 signified homoscedastic residuals and thus the appropriateness of the regression model, while a probability of < 0.05 indicated that heteroscedasticity existed.

3.9.4 Test of Multi-collinearity

To determine the correlation among the predictor variables, multicollinearity was evaluated. When there is high multicollinearity, the regression coefficients may not be statistically significant, which can make it hard to determine which independent variables are most predictive of the dependent variable, as well as reducing the confidence in the model. Multicollinearity was quantified by the Variance Inflation Factor (VIF), which describes how much one predictor variable could be explained by the other predictor variables.

3.10 Diagnostic Tests

These tests were carried out to ensure all the assumptions of regression are met. In order to diagnose the problem, the following investigative tests were performed: normality, autocorrelation, heteroscedasticity and multicollinearity test.

4. Data Analysis, Presentation and Discussion

4.1 General Information

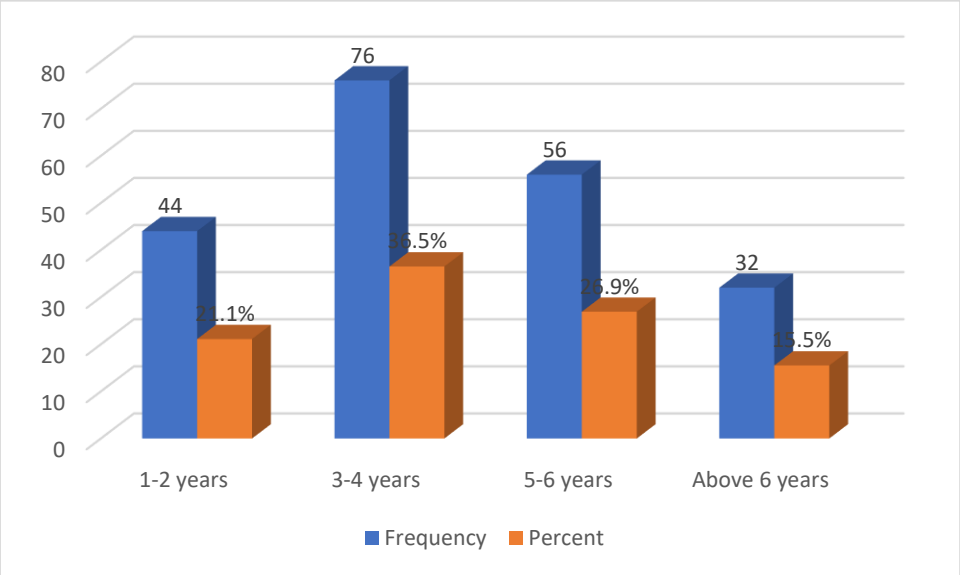
Respondents were asked general questions aimed at determining their academic background and the length of time they had worked for CDF.

4.1.1 Number of Years in the CDF

Participants were asked how many years they had served in the CDF.

The results are displayed in Figure 4.1.

Figure 4.1: Number of Years in the CDF



Source: Researcher (2026).

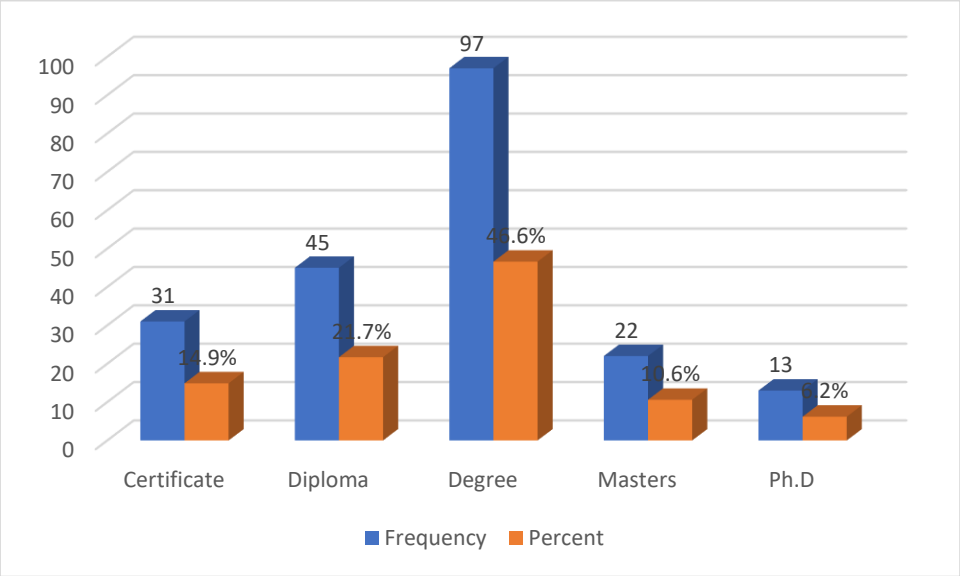
The results in Figure 4.1 show that 21.1% of respondents had served in the CDF for 1–2 years, 36.5% for 3–4 years, 26.9% for 5–6 years, and 15.5% for more than 6 years, indicating a mix of both relatively new and more experienced personnel. The largest group, those serving 3–4 years, suggests that a significant portion of respondents have moderate experience, providing them with sufficient exposure to CDF operations while still being adaptable to new practices. Respondents with over six years of service bring long-term experience and insight into project trends and management practices over time. Those with only 1–2 years of service may have limited exposure to historical project outcomes, but can offer fresh observations on current processes. This range of experience highlights varying levels of familiarity with CDF operations, which can influence perspectives on project performance, fund management, and decision-making within the organization.

4.3.2 Academic Qualification

Respondents were asked to state their academic qualifications.

The results were shown in Figure 4.2.

Figure 4.2: Academic Qualification



Source: Researcher (2026).

The results in Figure 4.2 show that 14.9% of respondents had a certificate, 21.7% had a diploma, 46.6% held a bachelor's degree, 10.6% had a master's degree, and 6.2% had a Ph.D., indicating that the majority of respondents possess at least an undergraduate-level education. The largest group, those with a bachelor's degree, suggests that most respondents have sufficient formal education to understand and engage with project management, financial reporting, and fund disbursement and utilization processes. The presence of respondents with postgraduate qualifications, including master's and Ph.D. holders, implies that there is also a segment with advanced knowledge and analytical skills, which can enhance the quality of insights provided. Conversely, respondents with certificates or diplomas may bring practical experience and operational knowledge, even if they have lower formal education levels. This range of academic qualifications indicates a diverse mix of theoretical understanding and practical expertise, which can contribute to a comprehensive perspective on the performance and management of CDF-funded projects.

4.4 Descriptive Statistics

The study employed descriptive statistics, specifically frequency and percentages, to summarize and present the data collected from respondents. Using these methods allows for a clear and straightforward illustration of how respondents' views and characteristics are distributed across different categories.

4.4.1 Budgeting and Performance of CDF Funded Projects

Respondents were asked to rank several statements that helped measure the impact of budgeting on the performance of CDF-funded projects in the Western Region.

The results were shown in Table 3.

Table 3: Budgeting on Performance of CDF Funded Projects

No.	Statement	1 SD	2 D	3 N	4 A	5 SA	Total
1.	Project cost estimates for CDF-funded projects are prepared based on realistic market prices.	58 27.9%	66 31.7%	18 8.7%	34 16.3%	32 15.4%	208 100.0%
2.	Inaccurate cost estimation has led to budget overruns in CDF-funded projects.	28 13.5%	38 18.3%	16 7.7%	68 32.7%	58 27.9%	208 100.0%
3.	Community members are actively involved in the budgeting process of CDF-funded projects.	68 32.7%	59 28.4%	18 8.7%	36 17.3%	27 13.0%	208 100.0%
4.	Participatory budgeting improves ownership and performance of CDF-funded projects.	31 14.9%	25 12.0%	21 10.1%	69 33.2%	62 29.8%	208 100.0%
5.	CDF-funded projects are implemented in accordance with the approved budgets.	58 27.9%	58 27.9%	11 5.3%	38 18.3%	43 20.7%	208 100.0%
6.	Deviations from approved budgets negatively affect the performance of CDF-funded projects.	58 27.9%	71 34.1%	15 7.2%	26 12.5%	38 18.3%	208 100.0%
7.	Budget allocations for CDF-funded projects are flexible enough to respond to unforeseen changes.	61 29.3%	57 27.4%	19 9.1%	30 14.4%	41 19.7%	208 100.0%
8.	Lack of budget flexibility causes delays in the implementation of CDF-funded projects.	62 29.8%	68 32.7%	13 6.3%	26 12.5%	39 18.8%	208 100.0%
9.	Cost-benefit analysis is conducted to inform CDF project selection and design	41 19.7%	37 17.8%	21 10.1%	56 26.9%	53 25.5%	208 100.0%
10.	The CDF project benefits justify the costs incurred, considering alternative solutions	44 21.2%	30 14.4%	15 7.2%	58 27.9%	61 29.3%	208 100.0%

Source: Researcher (2026).

Respondents were asked whether project cost estimates for CDF-funded projects are prepared based on realistic market prices. The findings revealed that the largest portion of the respondents (59.6%) disagreed with the statement. This implies that most respondents believe that cost estimates for CDF-funded projects are not based on actual market prices of materials, labour, and other project inputs. Such a perception suggests weaknesses in the budgeting process, particularly during project planning and cost estimation. When budgets are not aligned with prevailing market prices, projects are more likely to experience cost overruns, delays in completion, or compromises in quality due to insufficient financial allocation.

On the other hand, 31.7% of the respondents agreed that project cost estimates are prepared based on realistic market prices. This implies that some respondents perceive that budgeting processes in CDF-funded projects consider prevailing market conditions, which may contribute to more accurate financial planning and improved project

implementation and performance. The results further indicate that 8.7% of the respondents were neutral on whether project cost estimates are prepared based on realistic market prices. This neutrality implies that some respondents may not have adequate knowledge or involvement in the budgeting and cost estimation processes of CDF-funded projects, making it difficult for them to determine whether the estimates reflect actual market prices.

The study sought to find whether inaccurate cost estimation has led to budget overruns in CDF-funded projects. The findings indicate that the largest portion of the respondents agreed with the statement, with 32.7% agreeing and 27.9% strongly agreeing. This combined majority implies that most respondents believe inaccurate cost estimation is a major factor contributing to budget overruns in CDF-funded projects. This suggests that during the budgeting stage, project costs may be underestimated or not properly analyzed, leading to insufficient financial allocation during implementation. As a result, projects may require additional funds, experience delays, or undergo adjustments in scope to accommodate financial shortfalls, which negatively affect project performance.

However, 18.3% of the respondents disagreed, and 13.5% strongly disagreed, implying that some respondents believe cost estimation in CDF-funded projects is generally accurate and that budget overruns may instead arise from other factors such as poor financial management, changes in project scope, or unforeseen economic conditions. Additionally, 7.7% of the respondents were neutral, suggesting that they may lack sufficient knowledge or direct involvement in the budgeting and cost estimation processes of CDF-funded projects, making it difficult for them to determine whether inaccurate cost estimation leads to budget overruns.

The perception of the respondents was sought to determine whether community members are actively involved in the budgeting process of CDF-funded projects. The largest portion of respondents disagreed with the assertion, according to the statistics, with 32.7% strongly disagreeing and 28.4% disagreeing. This combined majority implies that most respondents believe community members are not actively involved in the budgeting process of CDF-funded projects. This suggests limited stakeholder participation during the planning and financial decision-making stages of the projects, which may reduce transparency, accountability, and alignment of project budgets with community priorities. Limited involvement of community members may also lead to the development of budgets that do not fully reflect the actual needs of the beneficiaries, thereby affecting the effectiveness and performance of the projects.

However, 17.3% of the respondents agreed, and 13.0% strongly agreed, implying that some respondents perceive that community members are involved in the budgeting process, which may enhance transparency and ensure that project funds are allocated according to community needs. Additionally, 8.7% of the respondents were neutral, suggesting that they may lack adequate information or direct engagement in the

budgeting process of CDF-funded projects, making it difficult for them to determine whether community members are actively involved.

Respondents were asked whether participatory budgeting improves ownership and performance of CDF-funded projects. The statistics indicated that the largest portion of respondents agreed with the assertion, according to the statistics, with 33.2% agreeing and 29.8% strongly agreeing. This combined majority implies that most respondents believe that involving stakeholders, particularly community members, in the budgeting process enhances their sense of ownership and positively influences the performance of CDF-funded projects. When community members participate in budgeting, they are more likely to support project implementation, monitor the use of resources, and ensure that project activities address their priority needs, which contributes to better project outcomes.

However, 12.0% of the respondents disagreed, while 14.9% strongly disagreed, implying that some respondents believe participatory budgeting does not necessarily lead to improved ownership or performance of projects, possibly due to challenges such as limited technical knowledge among community members or ineffective participation mechanisms. Additionally, 10.1% of the respondents were neutral, suggesting that they may lack adequate knowledge or direct experience with participatory budgeting processes in CDF-funded projects, making it difficult for them to determine its influence on project ownership and performance.

The study sought to find if CDF-funded projects are implemented in accordance with the approved budgets. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 27.9% strongly disagreeing and 27.9% disagreeing. This combined majority implies that most respondents believe CDF-funded projects are often not implemented strictly according to the approved budgets, suggesting that funds may be reallocated, mismanaged, or used for unplanned activities during project execution. Such deviations can undermine financial accountability, reduce transparency, and negatively affect overall project performance.

Conversely, 18.3% agreed, and 20.7% strongly agreed, indicating that some respondents perceive that projects generally follow the approved budgets, reflecting adherence to planned allocations and effective financial control. Additionally, 5.3% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in project financial management, making it difficult for them to determine the level of budget compliance.

The study sought to find respondents' views on whether deviations from approved budgets negatively affect the performance of CDF-funded projects. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 34.1% disagreeing and 27.9% strongly disagreeing. This implies that most respondents believe that deviations from approved budgets do not necessarily hinder the performance of CDF-funded projects, suggesting that projects may

still achieve their objectives despite minor or controlled budget adjustments, possibly through flexible resource allocation or compensatory measures during implementation. Conversely, 12.5% agreed, and 18.3% strongly agreed, indicating that some respondents perceive that deviations can negatively affect project performance, potentially leading to inefficiencies, misallocation of funds, or delays in achieving project outcomes. Additionally, 7.2% of respondents were neutral, implying that they may lack sufficient knowledge or direct involvement in project budgeting and financial management, making it difficult for them to determine the extent to which budget deviations influence project performance.

The respondents were asked whether budget allocations for CDF-funded projects are flexible enough to respond to unforeseen changes. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 34.1% disagreeing and 29.3% strongly disagreeing. This implies that most respondents believe that CDF project budgets are rigid and do not allow for adjustments when unexpected events or changes occur during project implementation. Such inflexibility may limit the ability of project managers to reallocate resources, address emerging challenges, or incorporate necessary modifications, potentially affecting the overall efficiency and effectiveness of project delivery.

On the other hand, 14.4% agreed, and 19.7% strongly agreed, indicating that some respondents perceive that budget allocations can accommodate unforeseen changes, which may help maintain smooth project execution and ensure that projects meet their intended objectives. Additionally, 9.1% were neutral, suggesting that these respondents may lack sufficient involvement or knowledge of the budgeting process to assess the flexibility of project allocations.

Respondents were asked whether the lack of budget flexibility causes delays in the implementation of CDF-funded projects. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 32.7% disagreeing and 29.8% strongly disagreeing. This implies that most respondents believe that delays in project implementation are not primarily caused by a lack of budget flexibility, suggesting that other factors such as poor planning, inadequate supervision, or logistical challenges may be more responsible for delays in CDF-funded projects.

On the other hand, 12.5% agreed, and 18.8% strongly agreed, indicating that some respondents perceive that rigid budgets do contribute to delays, as insufficient ability to reallocate funds in response to unforeseen circumstances can hinder timely project execution. Additionally, 6.3% of respondents were neutral, implying that they may lack sufficient knowledge or direct involvement in the budgeting and implementation processes to assess the effect of budget flexibility on project timelines.

The study sought to establish if cost-benefit analysis is conducted to inform CDF project selection and design. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 26.9% agreeing and 25.5% strongly agreeing. This implies that most respondents believe cost-benefit analysis is used in the planning and design of CDF-funded projects, suggesting that project selection may be guided by considerations of potential returns, efficiency, and the expected impact on the community.

Conversely, 17.8% disagreed, and 19.7% strongly disagreed, indicating that some respondents perceive that cost-benefit analysis is not consistently applied, which could result in the selection of projects that are less effective or less aligned with community needs. Additionally, 10.1% were neutral, implying that these respondents may lack sufficient knowledge or direct involvement in the project planning process to determine whether cost-benefit analysis is routinely conducted. Overall, the results highlight that while cost-benefit analysis is perceived to inform project decisions, there may still be gaps in its consistent application across CDF-funded projects.

Respondents were asked whether the CDF project benefits justify the costs incurred, considering alternative solutions. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 27.9% agreeing and 29.3% strongly agreeing. This implies that most respondents believe that the benefits of CDF-funded projects outweigh the costs, suggesting that the projects provide value to the community and are considered worthwhile investments despite the resources expended.

Conversely, 14.4% disagreed and 21.2% strongly disagreed, indicating that some respondents perceive the costs may not be fully justified by the benefits, possibly due to inefficiencies, poor project design, or the existence of alternative solutions that could have achieved similar outcomes at lower cost. Additionally, 7.2% were neutral, implying that these respondents may lack sufficient knowledge or direct experience with the projects to evaluate whether the benefits adequately justify the costs. Overall, the results suggest that while the majority perceive CDF projects as cost-effective, there remains a minority concerned about value for money and potential alternatives.

4.4.2 Disbursement and Utilization of Funds and Performance of CDF Funded Projects

Respondents were asked to rate various statements that helped to examine the influence of disbursement and utilization of funds on the performance of CDF-funded projects in the Western Region.

The results were shown in Table 4.

Table 4: Disbursement and Utilization of Funds on Performance of CDF Funded Projects

No.	Statement	1 SD	2 D	3 N	4 A	5 SA	Total
1.	CDF-funded projects utilize allocated funds within the stipulated financial periods.	57 27.4%	68 32.7%	13 6.3%	31 14.9%	39 18.8%	208 100.0%
2.	Low absorption rates negatively affect the timely completion of CDF-funded projects.	32 15.4%	38 18.3%	21 10.1%	57 27.4%	60 28.8%	208 100.0%
3.	Fund disbursement and utilization in CDF projects follow established financial procedures and guidelines.	34 16.3%	41 19.7%	14 6.7%	58 27.9%	61 29.3%	208 100.0%
4.	Non-adherence to financial procedures leads to misuse of CDF funds.	36 17.3%	31 14.9%	19 9.1%	65 31.3%	57 27.4%	208 100.0%
5.	Funds allocated to CDF projects are used efficiently to achieve intended outputs.	67 32.2%	71 34.1%	13 6.3%	26 12.5%	31 14.9%	208 100.0%
6.	Inefficient use of funds contributes to delays and cost overruns in CDF projects.	35 16.8%	30 14.4%	18 8.7%	66 31.7%	59 28.4%	208 100.0%
7.	Value for money - CDF-funded projects undergo a cost-effectiveness analysis to ensure the best value	54 26.0%	37 17.8%	17 8.2%	49 23.6%	51 24.5%	208 100.0%
8.	CDF project outputs and outcomes are commensurate with the funds invested	68 32.7%	62 29.8%	9 4.3%	31 14.9%	38 18.3%	208 100.0%
9.	There are clear sanctions for the mismanagement of CDF funds	40 19.2%	23 11.1%	14 6.7%	70 33.7%	61 29.3%	208 100.0%
10.	Non-compliance with regulations attracts heavy punishment	32 15.4%	21 10.1%	11 5.3%	78 37.5%	66 31.7%	208 100.0%

Source: Researcher (2026).

Respondents were asked whether CDF-funded projects utilize allocated funds within the stipulated financial periods. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 32.7% disagreeing and 27.4% strongly disagreeing. This implies that most respondents believe that CDF-funded projects often fail to fully utilize allocated funds within the planned financial periods, suggesting delays in project execution, poor financial planning, or inefficient management of resources. On the other hand, 14.9% agreed, and 18.8% strongly agreed, indicating that some respondents perceive that projects are able to utilize funds on time, which may reflect effective financial control and timely project implementation. Additionally, 6.3% were neutral, suggesting that these respondents may lack sufficient involvement or knowledge of fund disbursement and utilization processes to make a clear judgment regarding the timely use of project funds.

The study sought to determine if low absorption rates negatively affect the timely completion of CDF-funded projects. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 27.4% agreeing and 28.8% strongly agreeing. This implies that most respondents believe low absorption rates significantly contribute to delays in project completion, suggesting that funds not fully or promptly utilized slow down project activities, reduce efficiency, and hinder the achievement of project objectives. Conversely, 18.3% disagreed, and 15.4% strongly

disagreed, indicating that some respondents perceive that low absorption rates may not substantially affect project timelines, possibly due to compensatory measures or alternative resource management strategies during implementation. Additionally, 10.1% were neutral, suggesting that these respondents may lack sufficient involvement or knowledge of fund disbursement and utilization and project management to assess the impact of low absorption rates on timely completion.

Respondents were asked if fund disbursement and utilization in CDF projects follows established financial procedures and guidelines. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 27.9% agreeing and 29.3% strongly agreeing. This implies that most respondents believe CDF projects generally adhere to the prescribed financial procedures and guidelines, suggesting that there is a level of accountability, transparency, and proper financial management in the disbursement and utilization of project funds. Conversely, 19.7% disagreed, and 16.3% strongly disagreed, indicating that some respondents perceive deviations from established procedures, which could reflect instances of mismanagement, non-compliance, or weak oversight in fund disbursement and utilization. Additionally, 6.7% were neutral, implying that these respondents may lack sufficient knowledge or direct involvement in financial management processes to determine whether procedures are consistently followed.

The study sought to establish whether non-adherence to financial procedures leads to misuse of CDF funds. The findings indicate that the largest portion of respondents agreed with the assertion, according to the statistics, with 31.3% agreeing and 27.4% strongly agreeing. This implies that most respondents believe that failing to follow established financial procedures significantly increases the risk of mismanagement or misuse of project funds. Non-adherence may lead to diversion of resources, unauthorized expenditures, or inefficient use of allocated funds, which can negatively affect project outcomes and reduce the intended benefits to the community. Conversely, 14.9% disagreed, and 17.3% strongly disagreed, suggesting that some respondents perceive that non-compliance with procedures does not necessarily result in fund misuse, possibly because of informal oversight mechanisms or corrective measures that mitigate risks during project implementation. Additionally, 9.1% of respondents were neutral, indicating that these individuals may lack sufficient knowledge or direct involvement in financial management processes to determine the extent to which procedural non-compliance influences fund misuse.

Respondents were asked if funds allocated to CDF projects are used efficiently to achieve intended outputs. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 34.1% disagreeing and 32.2% strongly disagreeing. This implies that most respondents believe that CDF project funds are not utilized efficiently, suggesting issues such as mismanagement, wastage, or allocation of resources to activities that do not effectively contribute to the intended project outcomes. Conversely, 12.5% agreed, and 14.5% strongly agreed, indicating that

some respondents perceive that allocated funds are used efficiently to achieve project goals, reflecting proper planning, monitoring, and resource management in certain projects. Additionally, 6.3% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in fund disbursement and utilization to assess efficiency. Overall, the results highlight a perception that while some projects may achieve efficient fund use, there are widespread concerns about inefficiency in the management of CDF-funded resources.

Respondents were asked whether inefficient use of funds contributes to delays and cost overruns in CDF projects. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 31.7% agreeing and 28.4% strongly agreeing. This implies that most respondents believe that when funds are not used efficiently, projects are more likely to experience delays and exceed their budgets, potentially due to misallocation of resources, poor planning, or lack of effective monitoring. Conversely, 14.4% disagreed, and 16.8% strongly disagreed, suggesting that some respondents perceive that inefficiency in fund use does not significantly impact project timelines or costs, possibly because other compensatory measures are in place to keep projects on track. Additionally, 8.7% were neutral, indicating that these respondents may lack sufficient knowledge or direct involvement in financial management processes to assess the relationship between fund efficiency, delays, and cost overruns.

The study sought to find whether value for money in CDF-funded projects is ensured through cost-effectiveness analysis. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 26.0% strongly disagreeing and 17.8% disagreeing. This implies that most respondents believe that CDF-funded projects do not consistently undergo cost-effectiveness analysis, suggesting that project selection and design may not always prioritize the optimal use of resources or ensure that funds are allocated to projects that deliver the greatest impact relative to their costs. Such a perception may indicate weaknesses in project evaluation and planning processes, where decisions are made without systematically comparing alternative approaches or assessing whether the resources invested will generate proportionate benefits. Conversely, 23.6% agreed, and 24.5% strongly agreed, indicating that some respondents perceive that cost-effectiveness analysis is conducted for CDF projects, which would help ensure that funds are used efficiently and that projects provide maximum value to the community. Additionally, 8.2% were neutral, suggesting that these respondents may lack sufficient knowledge, experience, or involvement in project evaluation and budgeting processes to determine whether cost-effectiveness assessments are routinely applied.

Respondents were asked whether CDF project outputs and outcomes are commensurate with the funds invested. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 32.7% strongly disagreeing and 29.8% disagreeing. This implies that most respondents believe that the outputs and outcomes of CDF-funded projects do not adequately reflect the level of

financial resources invested. Such a perception suggests inefficiencies in project planning, implementation, and monitoring, where funds may be misallocated, underutilized, or spent on activities that do not generate proportional benefits to the community. It also indicates that some projects may fail to achieve their intended objectives despite significant financial investment, raising concerns about value for money, accountability, and effectiveness in the management of CDF funds. Conversely, 14.9% agreed and 18.3% strongly agreed, suggesting that a portion of respondents perceive that some projects successfully translate allocated funds into meaningful outputs and outcomes, reflecting effective resource disbursement and utilization, proper oversight, and alignment with community needs. Additionally, 4.3% were neutral, indicating that these respondents may lack sufficient knowledge or direct involvement in project implementation to form a clear opinion on whether the financial investment aligns with project results.

The study intended to determine whether there are clear sanctions for mismanagement of CDF funds. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 33.7% agreeing and 29.3% strongly agreeing. This implies that most respondents believe there are established sanctions in place to address mismanagement of CDF funds, which may act as a deterrent against misuse, promote accountability, and encourage proper financial management in project implementation. Conversely, 11.1% disagreed, and 19.2% strongly disagreed, indicating that some respondents perceive a lack of clear sanctions, suggesting that in some cases, mismanagement may go unpunished or that enforcement mechanisms are weak, which could undermine accountability and proper fund disbursement and utilization. Additionally, 6.7% were neutral, implying that these respondents may lack sufficient knowledge or direct involvement in the enforcement of financial regulations to determine the presence or effectiveness of sanctions.

Respondents were asked whether non-compliance with regulations attracts heavy punishment. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 37.5% agreeing and 31.7% strongly agreeing. This implies that most respondents believe that failing to comply with regulations results in significant penalties, which can serve as a deterrent against misconduct and encourage adherence to established rules in CDF-funded projects. Conversely, 10.1% disagreed, and 15.4% strongly disagreed, indicating that some respondents perceive that non-compliance may not always result in strict punishment, suggesting possible gaps in enforcement or inconsistencies in applying regulatory measures. Additionally, 5.3% were neutral, implying that these respondents may lack sufficient knowledge or direct involvement in regulatory oversight to determine the extent to which non-compliance is penalized.

4.4.3 Financial Reporting and Performance of CDF-funded Projects

Respondents were asked to rate various statements that helped to evaluate the influence of financial reporting on the performance of CDF-funded projects in the Western Region.

The results were shown in Table 5.

Table 5: Financial Reporting on the Performance of CDF-funded Projects

No.	Statement	1 SD	2 D	3 N	4 A	5 SA	Total
1.	Financial reports for CDF-funded projects accurately reflect actual expenditures.	65 31.3%	71 34.1%	16 7.7%	31 14.9%	25 12.0%	208 100.0%
2.	Misrepresentation of financial information affects decision-making in CDF projects	33 15.9%	22 10.6%	19 9.1%	70 33.7%	64 30.8%	208 100.0%
3.	Financial reports for CDF-funded projects are prepared and submitted on time.	67 32.2%	58 27.9%	21 10.1%	30 14.4%	32 15.4%	208 100.0%
4.	Delayed financial reporting negatively affects the monitoring of CDF-funded projects	35 16.8%	36 17.3%	17 8.2%	66 31.7%	57 26.0%	208 100.0%
5.	Financial records of CDF-funded projects are free from material errors.	65 31.3%	60 28.8%	15 7.2%	37 17.8%	31 14.9%	208 100.0%
6.	Inaccurate financial reporting contributes to mismanagement of CDF funds.	21 10.1%	28 13.5%	18 8.7%	65 31.3%	76 36.5%	208 100.0%
7.	CDF-funded projects comply with public sector accounting and reporting standards.	60 28.8%	54 26.0%	24 11.5%	40 19.2%	30 14.4%	208 100.0%
8.	Non-compliance with accounting standards affects transparency in CDF projects.	17 8.2%	22 10.6%	15 7.2%	82 39.4%	72 34.6%	208 100.0%
9.	CDF project financial and progress reports easily accessible to stakeholders	68 32.7%	73 35.1%	21 10.1%	21 10.1%	25 12.0%	208 100.0%
10.	CDF project reports provide detailed breakdowns of expenditures and outcomes	42 20.2%	27 13.0%	16 7.7%	58 26.9%	67 32.2%	208 100.0%

Source: Researcher (2026).

Respondents were asked whether financial reports for CDF-funded projects accurately reflect actual expenditures. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 34.1% disagreeing and 31.3% strongly disagreeing. This implies that most respondents believe that financial reports often do not provide an accurate reflection of actual project expenditures, suggesting issues such as misreporting, lack of transparency, or inadequate record-keeping. Such discrepancies can undermine accountability, hinder effective monitoring, and reduce the ability of stakeholders to make informed decisions about project implementation and resource allocation.

Conversely, 14.9% agreed, and 12.0% strongly agreed, indicating that some respondents perceive that financial reports accurately reflect expenditures, which would suggest effective reporting practices, transparency, and proper oversight in certain projects. Additionally, 7.7% were neutral, implying that these respondents may lack sufficient knowledge or direct involvement in financial reporting processes to assess the accuracy of project expenditure documentation.

The study sought to find whether misrepresentation of financial information affects decision-making in CDF projects. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 33.7% agreeing and 30.8% strongly agreeing. This implies that most respondents believe that inaccurate

or misleading financial information negatively impacts decision-making in CDF-funded projects, potentially leading to poor resource allocation, inefficiencies, and delays in project implementation.

Conversely, 10.6% disagreed, and 15.9% strongly disagreed, indicating that some respondents perceive that misrepresentation of financial information may not significantly affect decisions, possibly due to reliance on other sources of oversight or informal checks that mitigate the impact of inaccurate data. Additionally, 9.1% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in project financial management to gauge the impact of financial misrepresentation on decision-making.

Respondents were asked whether financial reports for CDF-funded projects are prepared and submitted on time. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 32.2% strongly disagreeing and 27.9% disagreeing. This implies that most respondents believe that financial reports are often delayed, suggesting challenges such as poor financial planning, inadequate record-keeping, or inefficiencies in reporting processes. Such delays can hinder timely decision-making, reduce transparency, and affect the monitoring and evaluation of project performance.

Conversely, 14.4% agreed, and 15.4% strongly agreed, indicating that some respondents perceive that financial reports are prepared and submitted on schedule, reflecting effective reporting systems and adherence to deadlines in certain projects. Additionally, 10.1% were neutral, suggesting that these respondents may lack sufficient involvement or direct knowledge of financial reporting practices to assess the timeliness of report submission.

The study intended to find if delayed financial reporting negatively affects the monitoring of CDF-funded projects. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 31.7% agreeing and 26.0% strongly agreeing. This implies that most respondents believe that delays in preparing and submitting financial reports hinder effective monitoring of CDF-funded projects, as timely financial information is critical for tracking expenditures, assessing project progress, and identifying deviations from planned budgets.

Conversely, 17.3% disagreed, and 16.8% strongly disagreed, suggesting that some respondents perceive that delayed reporting may not significantly impact monitoring, possibly because other oversight mechanisms or informal checks allow project tracking despite delays. Additionally, 8.2% were neutral, indicating that these respondents may lack sufficient knowledge or direct involvement in financial reporting or monitoring processes to assess the effects of reporting delays.

The study sought to establish whether financial records of CDF-funded projects are free from material errors. The findings show that the largest portion of the participants did not agree with the assertion, according to the statistics, with 28.8% disagreeing and 31.3% strongly disagreeing. This implies that most respondents believe

that financial records often contain significant errors, suggesting issues such as inaccurate documentation, poor record-keeping, or inadequate verification processes. Such errors can undermine transparency, hinder effective financial management, and compromise accountability in CDF-funded projects.

Conversely, 17.8% agreed, and 14.9% strongly agreed, indicating that some respondents perceive that financial records are generally accurate and reliable, reflecting proper documentation and oversight in certain projects. Additionally, 7.2% were neutral, suggesting that these respondents may lack sufficient involvement or direct knowledge of the financial reporting process to assess the accuracy of project records.

The study sought to establish whether inaccurate financial reporting contributes to the mismanagement of CDF funds. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 31.3% agreeing and 36.5% strongly agreeing. This implies that most respondents believe that when financial reports are inaccurate, it increases the risk of mismanagement, diversion of funds, and inefficient use of resources in CDF-funded projects. Conversely, 13.5% disagreed, and 10.1% strongly disagreed, suggesting that some respondents perceive that inaccuracies in reporting may not necessarily lead to mismanagement, possibly because other oversight mechanisms or checks may mitigate the risks. Additionally, 8.7% were neutral, indicating that these respondents may lack sufficient involvement or knowledge in financial reporting to assess the impact of inaccurate reporting on fund management.
The study sought to find if CDF-funded projects comply with public sector accounting and reporting standards. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 28.8% strongly disagreeing and 26.0% disagreeing. This implies that most respondents believe that CDF-funded projects often fail to fully adhere to established public sector accounting and reporting standards, suggesting gaps in compliance, weak financial controls, or limited understanding of regulatory requirements. Such non-compliance can undermine transparency, reduce accountability, and compromise the credibility of financial information in project management.

Conversely, 19.2% agreed, and 14.4% strongly agreed, indicating that some respondents perceive that certain projects comply with accounting standards, reflecting proper financial management, reporting, and adherence to regulations in those cases. Additionally, 11.5% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in financial reporting practices to assess compliance.

Respondents were asked whether non-compliance with accounting standards affects transparency in CDF projects. The findings show that the largest portion of respondents agreed with the assertion, according to the statistics, with 39.4% agreeing and 34.6% strongly agreeing. This implies that most respondents believe that failing to adhere to accounting standards compromises transparency, making it difficult to track expenditures, assess project performance, and hold implementers accountable.

Conversely, 10.6% disagreed, and 8.2% strongly disagreed, indicating that some respondents perceive that non-compliance may not significantly affect transparency, possibly because other informal monitoring mechanisms or oversight processes mitigate the impact of non-adherence. Additionally, 7.2% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in accounting and reporting practices to assess the effect of non-compliance on transparency. Overall, the results highlight a strong perception that adherence to accounting standards is critical for ensuring transparency in CDF-funded projects.

Respondents were asked whether CDF project financial and progress reports are easily accessible to stakeholders. The findings show that the largest portion of respondents disagreed with the assertion, according to the statistics, with 35.1% disagreeing and 32.7% strongly disagreeing. This implies that most respondents believe that financial and progress reports are not readily available to stakeholders, suggesting challenges such as limited transparency, poor information sharing, or inadequate communication mechanisms. Such inaccessibility can hinder stakeholders' ability to monitor project performance, hold implementers accountable, and make informed decisions about resource allocation and project management.

Conversely, 10.1% agreed and 12.0% strongly agreed, indicating that some respondents perceive that reports are accessible and that stakeholders can obtain information to track project progress and financial disbursement and utilization effectively. Additionally, 10.1% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in accessing project reports to form a definitive view.

The study sought to find whether CDF project reports provide detailed breakdowns of expenditures and outcomes. The findings show that the majority of respondents agreed with the assertion, with 26.9% agreeing and 32.2% strongly agreeing. This implies that most respondents believe CDF project reports offer comprehensive details on how funds are spent and the results achieved, which enhances transparency, accountability, and informed decision-making by stakeholders.

Conversely, 13.0% disagreed and 20.2% strongly disagreed, indicating that some respondents perceive that reports lack sufficient detail, which could hinder stakeholders' ability to track expenditures, evaluate project performance, and identify areas of inefficiency. Additionally, 7.7% were neutral, suggesting that these respondents may lack sufficient involvement or direct experience with project reports to assess the level of detail provided.

4.4.4 Monitoring and Evaluation on Performance of CDF Funded Projects

Respondents were asked to rate various statements that helped to establish the influence of monitoring and evaluation on performance of CDF funded projects in Western Region.

The results were shown in Table 6.

Table 6: Monitoring and evaluation on Performance of CDF-funded Projects

No.	Statement	1 SD	2 D	3 N	4 A	5 SA	Total
1.	The governance structure of CDF supports effective monitoring of funded projects.	43 20.7%	31 14.9%	11 5.3%	63 30.3%	60 28.8%	208 100.0%
2.	Weak governance structures hinder effective monitoring and evaluation of CDF projects.	34 16.3%	31 14.9%	13 6.3%	69 33.2%	61 29.3%	208 100.0%
3.	Stakeholders, including community members, are always involved in CDF project planning and decision-making	71 34.1%	78 37.5%	16 7.7%	20 9.6%	23 11.1%	208 100.0%
4.	CDF project implementers engage with stakeholders to address concerns or feedback	65 31.3%	62 29.8%	21 10.1%	31 14.9%	29 13.9%	208 100.0%
5.	Findings from monitoring and evaluation reports are used to improve project implementation.	56 26.9%	64 30.8%	17 8.2%	38 18.3%	33 15.9%	208 100.0%
6.	Failure to incorporate M&E findings leads to repeated project implementation challenges.	29 13.9%	24 11.5%	15 7.2%	64 32.2%	73 35.1%	208 100.0%
7.	CDF-funded projects are frequently audited, and are the audits are publicly available	57 27.4%	61 29.3%	19 9.1%	34 16.3%	37 17.8%	208 100.0%
8.	The audits of CDF projects are conducted by independent external auditors	43 20.7%	32 15.4%	15 7.2%	53 25.5%	65 31.3%	208 100.0%
9.	CDF projects have clear, predefined M&E plans with measurable indicators	31 14.9%	37 17.8%	14 6.7%	59 28.4%	67 32.2%	208 100.0%
10.	M&E plans for CDF projects are aligned with project objectives and outcomes	28 13.5%	41 19.7%	15 7.2%	56 26.9%	68 32.7%	208 100.0%

Source: Researcher (2026).

The study looked into establishing if the governance structure of CDF supports effective monitoring of funded projects. The findings show that the largest portion of respondents agreed with the assertion, with 30.3% agreeing and 28.8% strongly agreeing. This implies that most respondents believe that the existing governance structure facilitates effective oversight, accountability, and supervision of CDF-funded projects, ensuring that resources are properly managed and project objectives are achieved.

Conversely, 14.9% disagreed and 20.7% strongly disagreed, indicating that some respondents perceive the governance structure as inadequate for supporting proper monitoring, possibly due to weak coordination, lack of clarity in roles, or insufficient oversight mechanisms. Additionally, 5.3% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in the governance and monitoring processes to assess their effectiveness.

Respondents were asked whether weak governance structures hinder effective monitoring and evaluation of CDF projects. The findings show that the largest portion of respondents agreed with the assertion from the statistics, with 33.2% agreeing and 29.3% strongly agreeing. This implies that most respondents believe that inadequate governance structures negatively affect the ability to monitor and evaluate CDF-funded projects effectively, potentially leading to poor oversight, mismanagement of resources, and suboptimal project performance.

Conversely, 14.9% disagreed and 16.3% strongly disagreed, suggesting that some respondents perceive that monitoring and evaluation can still be effective despite weaknesses in governance, possibly due to other oversight mechanisms or stakeholder involvement that compensate for structural deficiencies. Additionally, 6.3% were neutral, indicating that these respondents may lack sufficient knowledge or direct involvement in governance and monitoring processes to assess the impact of weak governance on project evaluation.

Respondents were asked whether stakeholders, including community members, are always involved in CDF project planning and decision-making. The findings show that the largest portion of respondents disagreed with the assertion from the statistics, with 37.5% disagreeing and 34.1% strongly disagreeing. This implies that most respondents believe that stakeholders and community members are often excluded or minimally involved in the planning and decision-making processes of CDF-funded projects, which can lead to decisions that do not fully reflect community needs, reduced ownership, and lower accountability.

Conversely, 9.6% agreed and 11.1% strongly agreed, indicating that some respondents perceive that stakeholders are actively engaged in project planning, contributing to inclusive decision-making, better alignment with local priorities, and improved project acceptance. Additionally, 7.7% were neutral, suggesting that these respondents may lack sufficient exposure or participation in the planning processes to form a definitive opinion.

The study sought to find whether findings from monitoring and evaluation reports are used to improve project implementation. The findings show that the largest portion of respondents disagreed with the assertion from the statistics, with 30.8% disagreeing and 26.9% strongly disagreeing. This implies that most respondents believe that insights from monitoring and evaluation reports are not effectively applied to enhance the implementation of CDF-funded projects, suggesting gaps in learning, feedback mechanisms, or decision-making processes that limit the ability to correct inefficiencies or improve project outcomes.

Conversely, 18.3% agreed and 15.9% strongly agreed, indicating that some respondents perceive that monitoring and evaluation findings are utilized to inform and improve project implementation, reflecting effective use of data for performance enhancement. Additionally, 8.2% were neutral, suggesting that these respondents may lack sufficient exposure to the implementation process or the application of evaluation findings to assess their impact.

Respondents were asked if failure to incorporate M&E findings leads to repeated project implementation challenges. The findings show that the largest portion of respondents agreed with the assertion from the statistics, with 32.2% agreeing and 35.1% strongly agreeing. This implies that most respondents perceive that when monitoring and evaluation findings are not integrated into project planning and execution, similar problems recur in CDF-funded projects, such as delays, budget overruns, poor quality

outputs, and inefficiencies. Such a pattern suggests that lessons learned from previous project phases are not being applied to improve processes, leading to repeated mistakes and suboptimal performance.

Conversely, 11.5% disagreed and 13.9% strongly disagreed, indicating that some respondents believe that even without actively incorporating M&E findings, projects may still overcome challenges, perhaps due to informal corrective measures, external oversight, or adaptive management practices. Additionally, 7.2% were neutral, suggesting that these respondents may lack direct involvement or sufficient knowledge of how M&E feedback is used in project implementation to form a conclusive opinion.

Respondents were asked whether CDF-funded projects are frequently audited and whether the audits are publicly available. The findings show that the largest portion of respondents disagreed with the assertion from the statistics, with 29.3% disagreeing and 27.4% strongly disagreeing. This implies that most respondents believe that audits of CDF-funded projects are either infrequent, not conducted thoroughly, or not made accessible to the public, which could limit transparency, accountability, and stakeholder oversight. Conversely, 16.3% agreed and 17.8% strongly agreed, indicating that some respondents perceive that audits are conducted regularly and made publicly available, promoting accountability and confidence in the management of project funds. Additionally, 9.1% were neutral, suggesting that these respondents may lack sufficient involvement or knowledge regarding audit processes to assess their frequency or accessibility.

The study sought to establish if the audits of CDF projects are conducted by independent external auditors. The findings show that the largest portion of respondents agreed with the assertion from the statistics, with 25.5% agreeing and 31.3% strongly agreeing. This implies that most respondents perceive that audits are carried out by external, independent auditors, which is essential for ensuring objectivity, credibility, and transparency in the evaluation of CDF project finances. Independent audits can help identify irregularities, mismanagement, or inefficiencies, thereby promoting accountability and providing stakeholders with reliable information about project performance.

Conversely, 15.4% disagreed and 20.7% strongly disagreed, indicating that a significant minority of respondents believe that audits may not always be conducted independently, suggesting potential conflicts of interest, biased reporting, or weaknesses in oversight mechanisms. Additionally, 7.2% were neutral, suggesting that these respondents may lack sufficient knowledge, direct involvement, or access to audit reports to form an informed opinion about auditor independence.

Respondents were asked whether CDF projects have clear, predefined M&E plans with measurable indicators. The findings show that the largest portion of respondents agreed with the assertion from the statistics, with 28.4% agreeing and 32.2% strongly agreeing. This implies that most respondents perceive CDF projects to have structured monitoring and evaluation frameworks in place, with defined indicators to measure

performance and progress. Such plans enable systematic tracking of project activities, assessment of outcomes, and identification of areas requiring corrective action, which enhances accountability and overall project effectiveness.

Conversely, 17.8% disagreed and 14.9% strongly disagreed, indicating that some respondents believe that M&E plans may be absent, unclear, or inadequately defined, which could lead to difficulties in tracking progress, evaluating impact, and making informed management decisions. Additionally, 6.7% were neutral, suggesting that these respondents may lack sufficient exposure or direct involvement in project M&E processes to make a definite assessment.

The study sought to find if M&E plans for CDF projects are aligned with project objectives and outcomes. The findings show that the largest portion of respondents agreed with the assertion from the statistics, with 26.9% agreeing and 32.7% strongly agreeing. This implies that most respondents perceive that monitoring and evaluation plans are designed to reflect the specific goals and expected results of CDF projects, ensuring that project activities are effectively tracked, assessed, and adjusted to achieve intended outcomes. Conversely, 19.7% disagreed and 13.5% strongly disagreed, indicating that some respondents believe M&E plans may not always correspond with project objectives, potentially leading to misaligned performance indicators, ineffective tracking, and challenges in evaluating success. Additionally, 7.2% were neutral, suggesting that these respondents may lack sufficient involvement or knowledge of M&E processes to assess alignment accurately.

4.4.5 Performance of CDF-funded Projects

Respondents were asked to rate various statements that helped to establish the performance of CDF funded projects in Western Region.

The results were shown in Table 8.

Table 8: Performance of CDF-funded Projects

No.	Statement	1 SD	2 D	3 N	4 A	5 SA	Total
1.	Projects are completed effectively within the planned timeframe.	67 32.2%	61 29.3%	20 9.6%	34 16.3%	26 12.5%	208 100.0%
2.	Project costs are well controlled and within the approved budget.	29 13.9%	23 11.1%	13 6.3%	69 33.2%	74 35.6%	208 100.0%
3.	Completed projects continue to deliver benefits sustainably over time.	34 16.3%	30 14.4%	14 6.7%	67 32.2%	63 30.3%	208 100.0%
4.	The return on investment of projects meets or exceeds expectations.	56 26.9%	61 29.3%	14 6.7%	41 19.7%	36 17.3%	208 100.0%
5.	Beneficiaries are satisfied with the financial management of projects.	35 16.8%	28 13.5%	19 9.1%	61 29.3%	65 31.3%	208 100.0%
6.	Projects demonstrate efficient use of financial resources.	71 34.1%	82 39.4%	10 4.8%	27 13.0%	18 8.7%	208 100.0%
7.	Projects achieve their intended financial goals and targets.	45 21.6%	56 26.9%	18 8.7%	48 23.1%	41 19.7%	208 100.0%

8.	Financial reports are used to improve project management decisions.	26 12.5%	31 14.9%	16 7.7%	71 34.1%	64 30.8%	208 100.0%
9.	Cost overruns are rare and well-managed when they occur.	62 29.8%	71 34.1%	16 7.7%	31 14.9%	28 13.5%	208 100.0%
10.	There is clear communication to beneficiaries regarding project financial status.	60 28.8%	67 32.2%	14 6.7%	31 14.9%	36 17.3%	208 100.0%

Source: Researcher (2026).

Respondents were asked whether projects are completed effectively within the planned timeframe. The findings show that the largest portion of respondents disagreed with the assertion from the statistics, with 32.2% strongly disagreeing and 29.3% disagreeing. This implies that most respondents perceive that CDF projects often experience delays and are not completed as scheduled, which may result from poor fund management practices such as delayed disbursements, misallocation of resources, or ineffective financial planning.

Conversely, 16.3% agreed and 12.5% strongly agreed, indicating that some respondents believe that projects are completed on time, suggesting effective fund disbursement and utilization and adherence to planned schedules in certain cases. Additionally, 9.6% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in project execution to assess timely completion.

The study sought to find whether project costs were well controlled and maintained within the approved budget. The findings show that the largest portion of respondents agreed with the assertion from the statistics, with 33.2% agreeing and 35.6% strongly agreeing. This implies that most respondents perceive that CDF-funded projects generally manage costs effectively, ensuring that expenditures do not exceed the approved budget, which is crucial for financial accountability, efficient resource disbursement and utilization, and overall project success.

Conversely, 11.1% disagreed and 13.9% strongly disagreed, indicating that some respondents believe that project costs are sometimes poorly controlled, potentially leading to budget overruns, misallocation of funds, or financial inefficiencies. Additionally, 6.3% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in budget management to assess cost control accurately.

Respondents were asked whether completed CDF projects continue to deliver benefits sustainably over time. The findings show that the largest portion of respondents agreed with the assertion from the statistics, with 32.2% agreeing and 30.3% strongly agreeing. This implies that most respondents perceive that CDF-funded projects provide lasting value and continue to benefit communities after completion, indicating effective project planning, implementation, and consideration of long-term sustainability factors. Conversely, 14.4% disagreed and 16.3% strongly disagreed, suggesting that some respondents believe that certain projects fail to sustain benefits over time, potentially due to poor maintenance, inadequate follow-up, or lack of community ownership.

Additionally, 6.7% were neutral, indicating that these respondents may lack sufficient experience or exposure to assess the long-term impact of completed projects.

The study sought to establish whether the return on investment of CDF-funded projects meets or exceeds expectations. The findings show that the largest portion of respondents agreed with the assertion from the statistics, with 29.3% disagreeing and 26.9% strongly disagreeing. This implies that most respondents perceive that the benefits or outcomes of CDF projects often fall short of the resources invested, suggesting inefficiencies in project planning, implementation, or fund disbursement and utilization that limit the overall value delivered to communities. Conversely, 19.7% agreed, and 17.3% strongly agreed, indicating that some respondents believe that certain projects achieve or surpass expected returns, reflecting effective resource management and successful realization of project objectives. Additionally, 6.7% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in evaluating project outcomes to form a conclusive judgment.

Respondents were asked whether beneficiaries are satisfied with the financial management of CDF-funded projects. The findings show that the largest portion of respondents agreed with the statement, with 29.3% agreeing and 31.3% strongly agreeing. This implies that most respondents perceive that beneficiaries are generally satisfied with how project funds are managed, suggesting effective financial oversight, transparency, and accountability in the allocation and use of resources. Conversely, 13.5% disagreed, and 16.8% strongly disagreed, indicating that some respondents believe that financial management may sometimes fall short of expectations, potentially due to mismanagement, delays, or lack of clarity in reporting. Additionally, 9.1% were neutral, suggesting that these respondents may lack sufficient interaction with project finances or direct knowledge of beneficiaries' perspectives to form a definite opinion.

Respondents were asked whether CDF-funded projects demonstrate efficient use of financial resources. The findings show that the largest portion of respondents disagreed with the statement, with 39.4% disagreeing and 34.1% strongly disagreeing. This implies that most respondents perceive that project funds are often used inefficiently, suggesting issues such as misallocation of resources, wasteful spending, or lack of proper financial oversight, which could undermine the effectiveness and impact of CDF projects. Conversely, 13.0% agreed, and 8.7% strongly agreed, indicating that a smaller group of respondents believes that some projects manage resources efficiently, reflecting instances of effective planning, accountability, and prudent financial management. Additionally, 4.8% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in financial management to form a conclusive judgment.

Respondents were asked whether CDF-funded projects achieve their intended financial goals and targets. The findings show that the largest portion of respondents disagreed with the assertion, with 26.9% disagreeing and 21.6% strongly disagreeing. This implies that most respondents perceive that many projects fail to meet their financial

objectives, suggesting challenges such as inadequate planning, inefficient resource use, budget overruns, or poor monitoring of financial performance. Conversely, 23.1% agreed and 19.7% strongly agreed, indicating that some respondents believe that certain projects successfully achieve their financial goals, reflecting effective fund management and adherence to planned budgets. Additionally, 8.7% were neutral, suggesting that these respondents may lack sufficient knowledge or direct involvement in evaluating the financial outcomes of projects to form a definitive opinion.

The study sought to establish whether financial reports are used to improve project management decisions. The findings show that the largest portion of respondents agreed with the statement, with 34.1% agreeing and 30.8% strongly agreeing. This implies that most respondents perceive that financial reports play a significant role in informing management decisions for CDF-funded projects, allowing project managers to track expenditures, assess progress, identify inefficiencies, and make data-driven adjustments to improve project performance. Conversely, 14.9% disagreed, and 12.5% strongly disagreed, indicating that some respondents believe financial reports are not effectively utilized in decision-making, which may limit the ability to address challenges or optimize resource allocation. Additionally, 7.7% were neutral, suggesting that these respondents may lack direct exposure to how financial reports are used in management processes.

The study sought to establish if cost overruns are rare and well-managed when they occur in CDF-funded projects. The findings show that the largest portion of respondents disagreed with the statement, with 34.1% disagreeing and 29.8% strongly disagreeing. This implies that most respondents perceive that cost overruns are common and not always effectively managed, suggesting challenges in budget planning, monitoring, and financial control within CDF projects. The prevalence of cost overruns may indicate inefficiencies in resource allocation, unrealistic budgeting, or delays in project execution that exacerbate financial pressures. Conversely, 14.9% agreed, and 13.5% strongly agreed, indicating that a smaller proportion of respondents believe that cost overruns are rare and adequately addressed when they occur, reflecting instances of good financial oversight and contingency management. Additionally, 7.7% were neutral, suggesting that these respondents may lack sufficient involvement in financial monitoring or direct knowledge of project budgets to form a definitive opinion.

Respondents were asked if there was clear communication to beneficiaries regarding the financial status of CDF-funded projects. The findings show that the largest portion of respondents disagreed with the statement, with 32.2% disagreeing and 28.8% strongly disagreeing. This implies that most respondents perceive that beneficiaries are often not adequately informed about how project funds are allocated and spent, which may limit transparency, reduce trust, and hinder community engagement in project oversight. Conversely, 14.9% agreed, and 17.3% strongly agreed, indicating that some respondents believe that clear communication does occur in certain projects, allowing beneficiaries to understand financial progress and contribute to accountability efforts. Additionally, 6.7% were neutral, suggesting that these respondents may lack direct

exposure to communication processes or sufficient knowledge of how financial information is shared with beneficiaries.

4.5 Inferential Statistics

4.5.1 Correlations Analysis

This study used Pearson product-moment correlation to assess the direction and strength of the link between fund management practices and the performance of CDF-funded projects in the Western Region. Pearson correlation coefficients range from -1 to +1, where values closer to +1 indicate a strong positive relationship, values near 0 indicate no relationship, and values closer to -1 indicate a strong negative relationship. The analysis was conducted at a 95% confidence interval ($p \leq 0.05$) to look into statistical significance.

The results were analyzed in Table 4.7.

Table 4.1: Correlational Analysis

	BC	UF	FR	ME	Y
BC	1				
UF	0.272	1			
	(0.108)				
FR	0.289	0.197	1		
	(0.131)	(0.227)			
ME	0.323	0.273	0.344	1	
	(0.271)	(0.271)	(0.103)		
Y	0.741*	0.791*	0.813*	0.784*	1
	(0.000)	(0.001)	(0.003)	(0.001	

Source: Research Data (2026).

The findings indicate that budgeting has a strong positive relationship with project performance ($r = 0.741$, $p = 0.000$). This means that effective budgeting practices, including realistic cost estimation, proper allocation of resources, and adherence to planned budgets, are strongly associated with improved performance of CDF-funded projects. When budgeting is well planned and implemented, projects are more likely to achieve their objectives, remain within financial limits, and be completed within the expected timeframe. These findings are supported by Hassan and Mehmood (2024), who found that sound budgeting practices significantly improve project performance by enhancing financial planning, accountability, and efficient allocation of resources.

The results further show that disbursement and utilization of funds have a strong positive relationship with project performance ($r = 0.791$, $p = 0.001$). This implies that efficient and timely use of allocated funds plays a critical role in enhancing the performance of CDF-funded projects. Proper disbursement and utilization ensure that financial resources are directed toward intended project activities, reduce wastage, and supports timely completion of project tasks. When funds are effectively utilized, projects are more likely to achieve their desired outputs and deliver expected benefits to the community. These findings are consistent with Kabogo and Rusibana (2021), who

established that efficient fund disbursement and utilization enhance project implementation efficiency and significantly contribute to improved performance of development projects.

The study also found that financial reporting has a strong positive relationship with project performance ($r = 0.813$, $p = 0.003$). This suggests that accurate, timely, and transparent financial reporting plays a crucial role in improving the performance of CDF-funded projects. Proper financial reporting enhances accountability, facilitates informed decision-making, and enables effective monitoring of financial resources throughout the project lifecycle. When project stakeholders have access to reliable financial information, they are better positioned to detect irregularities, manage risks, and ensure that funds are used appropriately. These findings align with Kisaka and Jagongo (2021), who reported that transparent financial reporting strengthens financial accountability and significantly enhances the performance and sustainability of public sector projects.

The results also reveal that monitoring and evaluation have a strong positive relationship with project performance ($r = 0.784$, $p = 0.001$). This indicates that effective monitoring and evaluation systems contribute significantly to improved project performance by ensuring that project activities are tracked, challenges are identified early, and corrective actions are taken in a timely manner. Monitoring and evaluation also facilitate learning, accountability, and continuous improvement in project implementation. When M&E mechanisms are properly implemented, they enhance project efficiency and ensure that projects achieve their intended outcomes. These findings are supported by Akakulubelwa and Katongo (2025), who found that strong monitoring and evaluation practices significantly improve project effectiveness, accountability, and overall development outcomes.

4.5.2 Diagnostic Tests

4.5.2.1 Normality Test

The study conducted a test of normality using the Shapiro–Wilk test to determine whether the data for the study variables followed a normal distribution.

The results were shown in Table 9.

Table 9: Shapiro-Wilk Normality Test

	Shapiro-Wilk		
	Statistic	**df**	**Sig.**
Budgeting	.967	208	.226
Disbursement and Utilization of Funds	.953	208	.203
Financial Reporting	.972	208	.297
Monitoring and Evaluation	.921	208	.154
Performance	.940	208	.193

Source: Research Data (2026).

The results presented in Table 9 indicate that the p-values for all the study variables were greater than 0.05, suggesting that the data for budgeting, disbursement and utilization of

funds, financial reporting, monitoring and evaluation, and performance were distributed normally. Since all the p-values exceeded the threshold of 0.05, the study did not reject the null hypothesis. This implies that the assumption of normality was satisfied for all the variables analyzed in the study. Consequently, the data were considered suitable for further parametric statistical analyses, such as Pearson correlation, which require the assumption of normally distributed data. This further confirms that the data meet the normality assumption required for regression analysis, thereby enhancing the reliability and validity of the regression results obtained in the study.

4.5.2.2 Test of Autocorrelation

The study conducted a test of autocorrelation using the Durbin–Watson statistic to determine whether the residuals in the regression model were independent or correlated.

The results were shown in Table 10.

Table 10: Test of Autocorrelation

Durbin-Watson Statistic
1.983

Source: Research Data (2026).

The results presented in Table 4.9 show a Durbin–Watson statistic of 1.983, which is very close to 2. This indicates that there is no significant autocorrelation among the residuals in the regression model. Since the value falls within the acceptable range, it suggests that the error terms are independent and that the regression model used in the study is reliable. Based on these results, the study failed to reject the null hypothesis, implying that there is no evidence of autocorrelation in the data. This confirms that the independence assumption required for regression analysis was satisfied, allowing the study to proceed with further statistical analysis with confidence in the validity of the model results.

With a Durbin–Watson value of 1.983 falling within the acceptable range of 1.5 to 2.5, this confirms that the data meets the assumption of independence of residuals, thereby enhancing the reliability and validity of the regression results.

4.5.2.3 Test of heteroscedasticity

The study conducted a test of heteroscedasticity using the Breusch–Pagan test to determine whether the variance of the error terms in the regression model was constant. The results were shown in Table 11.

Table 11: Test of heteroscedasticity

	chi2(1)	**Prob > chi2**	**Conclusions**
BP test	3.19	0.1547	Fail to reject H_0

Source: Researcher (2026).

The results presented in Table 11 show that the Breusch–Pagan test produced a chi-square value of 3.19 with a probability of 0.1547. Since the probability value is greater than 0.05, the study failed to reject the null hypothesis. This indicates that there is no significant evidence of heteroscedasticity in the regression model and that the variance of the residuals is constant. Therefore, the assumption of homoscedasticity was satisfied, suggesting that the regression estimates are reliable and that the model does not suffer from problems associated with unequal variance of errors.

4.5.2.4 Test of Multicollinearity

The study conducted a test of multicollinearity to determine whether the independent variables were highly correlated with each other, which could affect the reliability of the regression results.

The results were shown in Table 12.

Table 12: Collinearity Statistics

Model		Collinearity Statistics	
		Tolerance	VIF
	Budgeting	.961	1.041
	Disbursement and utilization of funds	.943	1.060
	Financial Reporting	.927	1.079
	Monitoring and Evaluation	.983	1.017
	Mean VIF		1.049

Source: Research Data, (2026).

The results presented in Table 12 show VIF values of 1.041, 1.060, 1.079, and 1.017 for the independent variables respectively. These values are all very close to 1 and well below the threshold of 10, indicating that there is no significant multicollinearity among the variables. This means that the independent variables budgeting, disbursement and utilization of funds, financial reporting, and monitoring and evaluation are not highly correlated with each other and can independently explain variations in the performance of CDF-funded projects. Based on these results, the study failed to reject the null hypothesis, implying that multicollinearity is not a problem in the regression model and that the variables included in the analysis are suitable for further statistical evaluation.

4.5.3 Model Summary

The study analyzed the model summary to determine the strength of the relationship between the independent variables and the dependent variable as well as the overall explanatory power of the regression model.

The results were shown in Table 13.

Table 13: Model summary

Model	R	R square	Adjusted R square	Std. error of the estimate
1	.831	.691	.623	0.371

a. Dependent Variable: Performance

b. Predictors: (Constant), Budgeting, disbursement and utilization of funds, financial reporting, monitoring and evaluation.

Source: Research Data (2026).

The results in Table 13 show an R value of 0.831, indicating a strong positive relationship between the independent variables (budgeting, disbursement and utilization of funds, financial reporting, and monitoring and evaluation) and the performance of CDF-funded projects. The R square value of 0.691 implies that 69.1% of the variation in the performance of CDF-funded projects is explained by the four independent variables included in the model, while the remaining 30.9% is explained by other factors not captured in the study such as Political interference or contractor competency. The Adjusted R Square value of 0.623 indicates that after adjusting for the number of predictors in the model, 62.3% of the variation in project performance is explained by the independent variables, confirming that the model has a good explanatory power. This suggests that fund management practices play a significant role in influencing project performance and that the regression model provides a strong explanation of the relationship between the variables.

4.5.4 Analysis of Variance

The study conducted an Analysis of Variance (ANOVA) to determine the overall significance of the regression model in explaining the relationship between the independent variables and the dependent variable. ANOVA is used in regression analysis to test whether the model provides a better fit to the data compared to a model with no predictors. It does this by comparing the calculated F-statistic with the critical F-value from the statistical table at a given level of significance, typically 0.05. The null hypothesis (H_0) in ANOVA states that the independent variables do not significantly influence the dependent variable, meaning the regression model is not statistically significant. If the calculated F-value is greater than the critical F-value from the table and the p-value is less than 0.05, the null hypothesis is rejected.

Table 14: ANOVA

Model		Sum of squares	Df	Mean square	F	Sig.
1	Regression	21.225	4	5.306	11.688	.001[b]
	Residual	70.942	203	0.454		
	Total	92.167	207			

Source: Research Data (2026).

The results in Table 14 show a calculated F-statistic of 11.688 with a p-value of 0.001, while the critical F-value from the table is 2.41. Since the calculated F-value (11.688) is

greater than the critical F-value (2.41) and the p-value is less than 0.05, the regression model is statistically significant. This means that the independent variables budgeting, disbursement and utilization of funds, financial reporting, and monitoring and evaluation jointly have a significant influence on the performance of CDF-funded projects. Therefore, the study rejects the null hypothesis and concludes that fund management practices significantly affect the performance of CDF-funded projects in the Western Region.

4.5.5 Regression Coefficients Analysis

The study employed different linear regression analysis to establish the influence of fund management practices on the performance of CDF funded projects in Western Region. The regression findings are presented in Table 4.14.

Table 4.2: Regression Coefficients

Model		Unstandardized coefficients		T	Sig.
		B	Std. Error		
	(Constant)	5.271	1.025	5.142	.000
	Budgeting	.673	.163	4.131	.000
	Disbursement and utilization of funds	.391	.150	2.615	.001
	Financial reporting	.497	.125	3.971	.001
	Monitoring & Evaluation	.582	.172	3.382	.000

Source: Research Data (2026).

Table 4.14 displays the regression coefficients for the independent variables, which explain how much each variable contributes to the dependent variable. The results indicate that the constant value of 5.271 is statistically significant at the 95% confidence level, since the p-value of 0.000 is less than 0.05. The constant value depicted that when constituency development funds have not adopted fund management practices, the performance measured by project completion rate stands at 5.271 units budgeting, disbursement and utilization of funds, financial reporting and monitoring & evaluation had a coefficient of .673, .391, .497 and .582 respectively. Therefore, the following multiple linear regression equation is generated;

$$Y= 5.271 + .673\ BC + .391\ UF + 0.497\ FR + 0.582\ ME \quad (4.1)$$

4.5.6 Discussions of the Findings

4.5.6.1 Budgeting on Performance of CDF Funded Projects

The first objective was to determine the effect of budgeting on the performance of CDF-funded projects in the Western Region. The study's null hypothesis was that budgeting had no meaningful effect on CDF-funded project performance in the Western Region.

From the regression analysis, budgeting had a regression coefficient of 0.673, a t-value of 4.131, and a p-value of 0.000. Since the p-value is less than 0.05 and the t-value exceeds the critical value of 1.650, the null hypothesis is rejected. This indicates a

statistically significant and positive relationship between budgeting practices and project performance. Specifically, a percentage improvement in effective budgeting practices leads to a 0.673-unit improvement in project performance, measured by project completion rate, timeliness, and achievement of intended objectives. Effective budgeting ensures that resources are allocated in line with project priorities, financial plans are adhered to, and expenditures are monitored, collectively improving efficiency, reducing wastage, and increasing the likelihood of achieving project objectives within the planned timeframe.

Budgeting emerges as the strongest predictor of project performance compared to other variables because it forms the foundation upon which all other fund management practices are executed. Proper budgeting determines how resources are allocated, guides fund utilization, informs financial reporting, and sets benchmarks for monitoring and evaluation; therefore, any inefficiencies at this stage are likely to cascade throughout the project lifecycle, amplifying its overall influence on performance outcomes.

4.5.6.2 Disbursement and Utilization of Funds on Performance of CDF Funded Projects

The second objective of this research was to investigate the impact of fund disbursement and utilization on the performance of CDF-funded projects in the Western Region. The study was based on the null hypothesis that disbursement and consumption of funds have no substantial impact on the performance of CDF-funded projects.

From the regression results, disbursement and utilization of funds had a regression coefficient of 0.391, a t-value of 2.615, and a p-value of 0.001. Since the p-value is less than 0.05 and the t-value exceeds the critical t-value of 1.650, the null hypothesis is rejected. This indicates that efficient disbursement and utilization of funds have a positive and statistically significant effect on project performance. Specifically, a percentage improvement in effective disbursement and utilization of funds leads to a 0.391-unit improvement in project performance, measured through project completion rate, timely execution of activities, and achievement of intended outcomes. Proper fund disbursement and utilization ensures that resources are applied to their intended purposes, minimizes delays caused by financial mismanagement, and facilitates timely completion of activities, leading to improved outcomes and beneficiary satisfaction.

Disbursement and utilization of funds emerge as the weakest predictor of project performance compared to other variables because, although it is critical for implementation, it is largely dependent on prior processes such as budgeting decisions and existing institutional controls. Delays in fund release, low absorption capacity, and rigid administrative procedures often limit its effectiveness, even when systems are in place. Additionally, disbursement processes in public sector projects are highly regulated and procedural, meaning they may ensure compliance but not necessarily efficiency or optimal resource use. As a result, while proper disbursement and utilization contribute to performance, their impact is constrained by external factors such as bureaucratic

delays and institutional inefficiencies, making their overall influence comparatively lower than other fund management practices.

The descriptive statistics further reinforce these results, showing that respondents agreed that delays, diversion, or improper use of funds often lead to project underperformance. Projects where funds were effectively used in line with approved plans were noted to achieve more tangible results, demonstrating that disbursement and utilization of funds is a key determinant in translating allocated resources into actual project outputs.

4.5.6.3 Financial Reporting on Performance of CDF-funded Projects

The third objective of the study was to establish the influence of financial reporting on performance of CDF funded projects in Western Region. The research was predicated on the null hypothesis that financial reporting exerts no substantial influence on the performance of CDF-funded initiatives.

From the analysis, financial reporting had a regression coefficient of 0.497, a t-value of 3.971, and a p-value of 0.001. Since the p-value is less than 0.05 and the t-value exceeds the critical t-value of 1.650, the null hypothesis is rejected. This shows that effective financial reporting has a significant positive effect on project performance. Specifically, a percentage improvement in the quality and timeliness of financial reporting leads to a 0.497-unit improvement in project performance, measured by completion rate, efficiency in resource disbursement and utilization, and achievement of project targets. Proper reporting enables timely identification of financial discrepancies, enhances decision-making, and ensures that project funds are used in line with approved plans, thereby improving efficiency and accountability.

The descriptive statistics further support this finding, revealing that respondents agreed that clear and accurate financial reports provide management and stakeholders with the necessary information to monitor expenditures, make informed decisions, and prevent misuse of resources. Conversely, poor financial reporting was associated with project delays, overspending, and reduced performance, highlighting the critical role of reporting in ensuring project success.

4.5.6.4 Monitoring and Evaluation on Performance of CDF Funded Projects

The fourth objective of this study was to establish the influence of monitoring and evaluation (M&E) on the performance of CDF-funded projects in the Western Region. The research was predicated on the null hypothesis that monitoring and evaluation have no significant effect on the performance of CDF-funded projects.

The regression results, M&E had a regression coefficient of 0.582, a t-value of 3.382, and a p-value of 0.000. Since the p-value is less than 0.05 and the t-value exceeds the critical t-value of 1.650, the null hypothesis is rejected. This indicates that effective monitoring and evaluation practices significantly and positively affect project performance. Specifically, a percentage improvement in effective M&E practices leads to

a 0.582-unit improvement in project performance, measured by project completion rate, timely identification of challenges, and achievement of intended outcomes. Through systematic tracking, reporting, and corrective actions, M&E ensures that resources are utilized appropriately, challenges are identified early, and necessary interventions are implemented to keep projects on track.

The descriptive statistics further corroborate this result, showing that respondents agreed that projects with strong M&E frameworks experience fewer delays, more accurate reporting, and better achievement of project outcomes. Regular monitoring allows managers to detect inefficiencies, reallocate resources, and adjust strategies to improve performance, highlighting the importance of M&E as a management tool.

5. Conclusion and Recommendations

5.1 Conclusion of the Study

5.1.1 Budgeting and Performance of CDF Funded Projects

From the descriptive statistics, most respondents agreed that effective budgeting improves the performance of CDF-funded projects in the Western Region through realistic cost estimation, proper allocation of resources, adherence to approved budgets, participatory budgeting, and consideration of cost-benefit in project selection. The inferential statistics (regression coefficient = 0.673, p-value = 0.000), it was also established that there is a significant positive relationship between budgeting and the performance of CDF-funded projects. It was therefore concluded that budgeting greatly influences the performance of CDF-funded projects in the Western Region.

5.1.2 Disbursement and Utilization of Funds and Performance of CDF Funded Projects

From the descriptive statistics, respondents indicated that proper disbursement and utilization of funds improve the performance of CDF-funded projects through timely expenditure, adherence to financial procedures, enforcement of sanctions for mismanagement, and application of cost-effectiveness analysis. Looking at the inferential statistics (regression coefficient = 0.391, p-value = 0.001), it was also established that there is a significant positive relationship between disbursement and utilization of funds and project performance. Therefore, it was concluded that disbursement and utilization of funds significantly influence the performance of CDF-funded projects in the Western Region.

5.1.3 Financial Reporting and Performance of CDF Funded Projects

From the descriptive statistics, respondents indicated that effective financial reporting improves the performance of CDF-funded projects through accurate recording of expenditures, timely submission of reports, compliance with accounting standards, and enhanced transparency. Based on the inferential statistics (regression coefficient = 0.497, p-value = 0.001), it was also noted that there is a significant positive correlation between

financial reporting and project performance. Hence, the conclusion reached was that financial reporting significantly influences the performance of CDF-funded projects in the Western Region.

5.1.4 Monitoring, Evaluation and Performance of CDF Funded Projects

From the descriptive statistics, respondents indicated that monitoring and evaluation improve the performance of CDF-funded projects by ensuring activities are tracked, challenges are identified early, and corrective actions are implemented promptly. From the inferential statistics (regression coefficient = 0.582, p-value = 0.000), it was also insinuated that there is a steady positive correlation between M&E and project performance. Therefore, it was concluded that monitoring and evaluation significantly influence the performance of CDF-funded projects in the Western Region.

In general, the study concludes that while all fund management practices significantly affect the performance of CDF-funded projects, their effectiveness depends on the strength of control and oversight mechanisms. The findings suggest that the practical reality in the Western Region reflects a shift away from the assumptions of Stewardship Theory, which relies on trust and assumes that managers will work in the interest of projects without strict control. Instead, the results align more strongly with Agency Theory, where monitoring, oversight, and accountability mechanisms are essential due to the persistent risks of inefficiencies in budgeting, fund utilization, and reporting. Therefore, strengthening monitoring and evaluation systems becomes the most practical approach for improving project performance and ensuring effective use of public resources.

5.2 Recommendations of the Study

5.2.1 Budgeting and Performance of CDF Funded Projects

The inferential statistics proved that budgeting has a steady positive impact on the performance of CDF-funded projects in the Western Region. From the descriptive statistics, the majority of respondents indicated that project cost estimates are often not based on realistic market prices and that projects are not always implemented according to approved budgets. It is therefore recommended that project planners and county officials ensure that all CDF project budgets are prepared based on accurate market prices and that projects are implemented strictly according to approved budgets. This will help in enhancing accountability, reducing cost overruns, and improving overall project performance.

The majority also noted that community members are not actively involved in the budgeting process. It is therefore recommended that project managers actively involve community members in budgeting and project planning. Participatory budgeting will increase ownership, transparency, and the likelihood that projects meet the actual needs of the communities, thereby improving performance.

Respondents further highlighted that budg*et al*locations are often inflexible and do not adequately respond to unforeseen changes. It is recommended that budgeting practices for CDF-funded projects incorporate mechanisms for flexibility to accommodate unexpected costs or changes in project scope. This will minimize delays, improve resource disbursement and utilization, and ensure projects are completed efficiently.

5.2.2 Disbursement and Utilization of Funds and Performance of CDF Funded Projects

The inferential and descriptive findings indicate that disbursement and utilization of funds significantly affect the performance of CDF-funded projects in the Western Region. From the descriptive statistics, a large number of respondents reported that CDF projects do not always utilize allocated funds within the stipulated financial periods. It is therefore recommended that project managers and county officials ensure that all funds are utilized promptly within the designated financial periods. Timely disbursement and utilization of funds will reduce delays, improve project completion rates, and enhance overall performance.

The majority of the respondents also indicated that fund disbursement and utilization do not always follow established financial procedures and guidelines. It is therefore recommended that project managers strictly adhere to established financial procedures when utilizing CDF funds. Following proper procedures will minimize mismanagement, improve accountability, and ensure that funds are used effectively to achieve the intended project outcomes.

The study found that non-adherence to financial procedures often leads to misuse of funds and inefficiency. It is therefore recommended that county governments enforce clear sanctions for mismanagement of CDF funds. Establishing and communicating strict penalties for non-compliance will discourage misuse of funds and promote responsible financial practices, which in turn will enhance project performance.

Respondents highlighted that inefficient fund disbursement and utilization contribute to delays, cost overruns, and outputs that are not commensurate with the funds invested. It is therefore recommended that project managers regularly conduct cost-effectiveness analysis to ensure that project funds are used efficiently and achieve value for money. This will optimize resource allocation and improve the effectiveness and sustainability of CDF-funded projects.

5.2.3 Financial Reporting and Performance of CDF Funded Projects

The descriptive and inferential findings revealed that financial reports for many CDF projects do not accurately reflect actual expenditures. It is therefore recommended that project managers and county officials ensure that all financial reports accurately record actual project expenditures. Accurate reporting will enable better decision-making, reduce mismanagement, and enhance the effectiveness of CDF-funded projects.

Majority of respondents indicated that financial reports are often submitted late, which affects timely monitoring and supervision of CDF projects. It is therefore recommended that all financial reports be prepared and submitted within stipulated timelines. Timely reporting will facilitate effective project monitoring, prompt identification of challenges, and better overall project performance.

The study found that many financial reports contain errors and that non-compliance with accounting standards reduces transparency. It is therefore recommended that county governments enforce strict adherence to public sector accounting and reporting standards and provide training to project staff on proper financial reporting. This will minimize errors, enhance transparency, and promote accountability in the management of CDF funds.

Respondents highlighted that CDF project financial and progress reports are often inaccessible to stakeholders. It is therefore recommended that project reports be made easily accessible to all stakeholders, including community members, oversight bodies, and the public. Transparency and accessibility will increase accountability, build trust, and ensure that CDF-funded projects achieve intended outcomes.

5.2.4 Monitoring and Evaluation on Performance of CDF Funded Projects

The descriptive and inferential findings revealed that the governance structure of CDF supports M&E, but that weak governance can hinder its effectiveness. It is therefore recommended that county governments strengthen governance frameworks to ensure that monitoring and evaluation processes are well-supported, properly coordinated, and aligned with project objectives. Strengthened governance will enhance the effectiveness of M&E and contribute to improved project performance.

Many participants noted that stakeholders, including community members, are not sufficiently involved in project planning and decision-making. It is therefore recommended that project implementers actively engage stakeholders throughout project planning, implementation, and evaluation. Stakeholder involvement will ensure that projects address community needs, promote transparency, and improve overall project outcomes.

Respondents highlighted that audit reports are not always publicly accessible, reducing transparency. It is therefore recommended that audit findings of CDF-funded projects be made accessible to all stakeholders, including community members and oversight bodies. Transparency in audits will promote accountability, trust, and better management of project funds.

Conflict of Interest Statement
The authors declare no conflicts of interest.

About the Authors
Harriet Kilala is an MBA student at Kaimosi Friends University, Kenya.
Dr. Atieno Margaret is a Senior lecturer and dean school of business and Economics at Kaimosi Friends University, Kenya.

References

Abdi, H., & Ngahu, S. (2025). Participatory Budgeting and Performance of National Government Constituency Development Fund Projects: A Case of Molo Constituency, Kenya. *International Journal of Research in Social Science and Humanities (IJRSS)*, 124-132. https://doi.org/10.47505/IJRSS.2025.9.12

Abdi, H., & Ngahu, S. (2025). Participatory Budgeting and Performance of National Government Constituency Development Fund Projects: A Case of Molo Constituency, Kenya. *International Journal of Research in Social Science and Humanities (IJRSS)*, 124-132. Retrieved from https://doi.org/10.47505/IJRSS.2025.9.12

Agung, M. (2020). The effect of financial reporting quality on regional governments' performance accountability. *KnE Social Sciences*. 694-701. https://doi.org/10.18502/kss.v4i6.6636

Ahmad, F., & Khan, R. S. (2015). A Power Comparison of Various Normality Tests. *Pakistan Journal of Statistics and Operations Research*, 331-345. https://doi.org/10.18187/pjsor.v11i3.845

Ahmed, I., & Ishtiaq, S. (2021). Reliability and validity: importance in medical research. *JPMA. The Journal of the Pakistan Medical Association, 71(10), 2401–2406.* https://doi.org/10.47391/jpma.06-861

Ahmed, S. (2022). *The Public Financial Management in the Context of the New Global Environment—A Case of Pakistan. In Effective Public Administration Strategies for Global" New Norma*l". Singapore: Springer Nature Singapore. 157-176. Retrieved from https://ideas.repec.org/h/spr/sprchp/978-981-19-3116-1_11.html

Akakulubelwa, K., & Katongo, C. (2025). Examining the Effectiveness of Monitoring and Evaluation Strategies in Public Sector Projects: A Study of CDF Loans in Mtendere

Areas of Lusaka. *Journal of Arts, Humanities and Social Science*, 41-48. Retrieved from https://journals.stecab.com/jahss/article/view/431

Anita, M. M., & Wairimu, M. A. (2023). Results-based monitoring and evaluation systems on the performance of CDF-funded projects in Nairobi County, Kenya. Social Sciences.

Attafuah, E. D., Yamoah, L. E., & Godfred, M. (2024). Assessing the Impact of Electronic Banking on the Financial Performance of Commercial Banks in Ghana. *International Journal of Research and Scientific Innovation*, 422-441. https://grandmarkpublishers.com/journal/international-journal-of-business-management

Badara, M. S. (2017). The relevant of contingency theory and stewardship theory on the internal audit research. *Journal of World Economic Research*, 17-22. https://doi.org/10.11648/j.jwer.20170602.11

Battaglini, M., & Coate, S. (2008). A dynamic theory of public spending, taxation, and debt. *American Economic Review 98(1)*. 201-236. Retrieved from https://www.aeaweb.org/articles?id=10.1257/aer.98.1.201

Bo, H., & Driver, C. (2012). *Agency theory, corporate governance and finance. In Handbook on the economics and theory of the firm*. Edward Elgar Publishing. https://doi.org/10.4337/9781848446489.00019

Cattaneo, M. D., Jansson, M., & Newey, W. K. (2018). Inference in Linear Regression. *Journal of the American Statistical Association*, 1350-1361. Retrieved from https://arxiv.org/abs/1507.02493

Chohan, U. W. (2019). *Public value theory and budgeting: International perspectives*. Routledge. Retrieved from https://www.taylorfrancis.com/books/mono/10.4324/9780429022722/public-value-theory-budgeting-usman-chohan

Chornovol, A., Tabenska, J., & Tomniuk, T. (2020). Public finance management system in modern conditions. *Investment Management and Financial Innovations 17*(4):402-410. https://doi.org/10.21511/imfi.17(4).2020.34

Christine, N. (2021). *Decentralized revenue management and health service delivery in local governments in Uganda: A case study of Kabale District Local Government*. (Doctoral dissertation, Kabale University). Retrieved from https://backend.kab.ac.ug/server/api/core/bitstreams/a8ac0e9d-1a5d-4969-aaea-33f229f39867/content

Chulu, T., Mpolomoka, D. L., & Sikwibele, A. (2021). Constituency Development Fund (CDF) Disbursement, Access and Utilisation in the Education Sector, Chadiza District, Eastern Province, Zambia. *Journal of Popular Education in Africa*, 21-35.

Davis, J., Frankforter, S., & Vollrath, D. (2007). An empirical test of stewardship theory. *Journal of Business & Leadership: Research, Practice, and Teaching*, 40-50. https://doi.org/10.58809/MESC2666

Donaldson, L., & Davis, J. H. (1991). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of management*, 49-64. https://doi.org/10.1177/031289629101600103

Farahmandpour, H., & Zrudlo, I. (2025). Investigating young people's involvement in participatory budgeting. *Education, Citizenship and Social Justice*. 123-136. https://doi.org/10.1177/17461979231206948

Fasesin, O. O. (2022). *Budget Use, Organizational Characteristics and Performance of Manufacturing Small and Medium Enterprises (SMEs) in Lagos State, Nigeria*. Kwara State University (Nigeria). Retrieved from https://majaf.com.ng/index.php/majaf/article/view/4

Gibson, M. O. (2025). *Monitoring and Evaluation Practices and Performance of the National Government Constituencies Development Fund Projects in Kenya: A Case of Nyaribari Masaba Constituency* (Doctoral dissertation, Kenyatta University). Retrieved from https://ir-library.ku.ac.ke/server/api/core/bitstreams/0d6b8c0f-cb5e-4e87-ba1b-eacb14399c19/content

Green, R. (2020). *Pilot testing: Why and how we trial. In The Routledge handbook of second language acquisition and language testing*. Routledge. 115-124. Retrieved from https://www.taylorfrancis.com/chapters/edit/10.4324/9781351034784-13/pilot-testing-rita-green

Hassan, M. S., & Mehmood, W. (2024). Budgeting and budgetary control systems affecting Pakistan SMEs performance. *Business Review 19*(2). 1-14. https://doi.org/10.54784/1990-6587.1613

Horvath, L; Kokoszka, P., & Wang, S. (2020). Testing Normality of Data on a Multivariate Grid. *Journal of Multivariate Analysis*, 171-179. Retrieved from https://www.sciencedirect.com/science/article/pii/S0047259X20302219

Hussein, Y. N. (2020). *Influence of monitoring practices on project performance at the water sector trust fund* (Doctoral dissertation, Africa Nazarene University). Retrieved from https://repository.anu.ac.ke/handle/123456789/709

Jalil, S. I. (2024). Impact of Monitoring and Evaluation Practices on Project Performance. *SZABIST International Journal of Management Science*, 1-17. Retrieved from https://journals.szabist-isb.edu.pk/index.php/sijms/article/view/22

Jensen, M. C., & Meckling, W. H. (1976). Theory of the and Ownership Structure. *Journal of Financial Economic* 3(4). https://doi.org/10.1016/0304-405X(76)90026-X

Kabogo, E. R., & Rusibana, C. (2021). Project Fund Management and Performance of Great Lakes Trade Facilitation Project of Minicom, Rwanda. *Journal of Entrepreneurship & Project Management*, 46-67. Retrieved from https://stratfordjournalpublishers.org/journals/index.php/journal-of-entrepreneurship-proj/article/view/811

Kalume, S. B., & Ng'ang'a, P. (2024). Financial management practices and funds management in public secondary schools in Kilifi County, Kenya. *International*

Academic Journal of Economics and Finance, 306-323. Retrieved from https://www.iajournals.org/articles/iajef_v4_i2_306_323.pdf

Kalume, S. B., & Ng'ang'a, P. (2024). Financial management practices and funds management in public secondary schools in Kilifi County, Kenya. *International Academic Journal of Economics and Finance*, 306-323. Retrieved from https://www.iajournals.org/articles/iajef_v4_i2_306_323.pdf

Kerubo, D. (2021). *Monitoring and Evaluation practices and performance of constituency development fund project in Kiambu, Kenya* (Doctoral dissertation, Kenyatta University). Retrieved from https://ir-library.ku.ac.ke/bitstreams/cc3c9963-405e-4520-b3cd-bf32571e1a1a/download