

**MANAGEMENT OF DONOR FUNDS IN NON-GOVERNMENTAL
ORGANIZATIONS IN KENYA: A CASE STUDY OF CITIZEN NETWORK
FOR FOREIGN AFFAIRS**

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Abstract

With the appreciation of complicated nature of poverty and by and large unsuccessful results of aid, multinational and bilateral agencies have lately given renewed prominence to NGO, "whose existence is legitimized by the presence of poverty". They largely reemphasized NGOs' economic efficiency and contribution to good governance. Especially in the period of the late 1980s and 90s, it was a "boom" for the non-governmental sector in terms of proliferation and growing sophistication. The issues that confront the non-governmental organization in the delivery of services support the need to look at the utilization of both government and donor funding in the implementation of its programs, projects and regular functions. This study was conducted through a case study of Citizen Network Foreign Affairs and NGO Co-ordination Board. The main objective of the study is to analyse factors that hinder effective management of donor funds in non-governmental organizations in Kenya. The study used both secondary data obtained through journals, library and internet and primary data obtained through questionnaires provided to employees and management of Citizen Network Foreign Affairs and NGO Co-ordination Board. Data was collected using questionnaire method and analyzed using descriptive statistics. The results and analysis of the data was presented by use of both quantitative and qualitative analysis in form of frequency tables, pie charts and bar charts. The findings show NGOs indeed can manage funds but not to its full employment which leads to mismanagement of funds, failure of completion of projects, poor strategic decisions and lack of clear accounting records. The study also presents an in depth discussion on the findings and gives recommendation on how NGOS can manage funds better and effectively in turn this will enhance high performance and also provides conclusions on the study and suggestions for future research.