



BUDGET ALLOCATION AND UTILIZATION IN LOCAL SCHOOLS IN THE PHILIPPINES

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ABSTRACT

The study aimed to determine the extent of budget allocation and the degree of budget utilization of schools in a province in the Philippines. The descriptive-correlational design was utilized to treat the data from the 175 employees composed of School Heads, Senior Bookkeepers and Disbursing Officers of Secondary Schools as respondents. This study was descriptive because it described the extent of budget allocation and the degree of budget utilization of schools. Likewise, it was correlational as it also tried to find out whether there was a significant difference in the extent of budget allocation when grouped according to their school location and school size; and whether there was a significant difference in the degree of budget utilization when grouped according to their school location and school size. Moreover, it was also correlational as it tried to measure whether there was indeed a significant relationship between the extent of budget allocation and the degree of budget utilization among the respondents. The results revealed that the extent of budget allocation was high. In terms of fixed costs, it was high and in terms of variable costs, it was average; and the degree of budget utilization as a whole and in terms of procurement and augmentation was high. The results also showed that there was a significant difference in the extent of budget allocation and the degree of budget utilization when respondents are grouped according to their school size. Finally, the extent of budget allocation and the degree of budget utilization of schools in the Province of Capiz are significantly related and mutually dependent. The findings indicate an alignment of budgetary priorities with actual spending, highlighting a strategic approach to resource allocation. The significant relationship underscores the importance of coherent and targeted budgeting practices, contributing to efficient utilization of financial resources. Considering the study's findings, it is recommended to implement a transparent and collaborative budgeting process, involving key stakeholders such as parents, teachers, and other partners. Moreover, to effectively track the utilization of funds, it is recommended to establish a reliable monitoring system of budget utilization. Lastly, to maintain transparency and accountability in the allocation and utilization of budgets, it is recommended regular audits be conducted regularly.

Keywords: *Budget Allocation, Budget Utilization, Schools in the Philippines*

1. Introduction

As part of its constitutional mandates, governments all over the world allocates funds for education to sustain the operation of public schools, which helps provide a comfortable learning environment to nurture talents and

improve intelligence (Center on Educational Policy, n.d.). However, due to historical conflicts, some educational systems, such as Lebanon's, remain undeveloped due to struggles in acquiring adequate financial support (British Council, n.d.).

In the Philippines, the Department of Education imposed orders regarding allocating and utilizing the school budget intended for their Maintenance and Other Operating Expenses (MOOE). In showing support for providing more school resources, the Department of Education released the DepEd Order No. 13, s. 2016 superseding the former DO No. 12, s. 2014, as of March 11, 2016, enhancing the guidelines regarding the proper allocation and utilization of the school budget for their MOOE. This change helps to support innovations and projects that support children's special skills and talents (DO No. 13-2016, 2016). Recently, the Department of Education released the DepEd Order No. 012, s. 2022 as of March 15, 2022. This order is a response to the educational crisis after the COVID-19 pandemic hit the Philippines, affecting several aspects of the educational sector (DO No. 012, s. 2022).

In connection with this, the Department of Education released DepEd Order No. 122, s. 2017. This order requires the school head administration to submit a detailed report a month before any school program, activities, and projects. The purpose of this is to monitor and audit the financial transparency intended for expenses. All implementing units must comply with the Budget Monitoring System (BMS) to ensure that allocated budgets for a specific expenditure are justifiable for utilizing funds (DO No. 122-2017, 2017). Moreover, DepEd Order No. 028, s. 2022 was released, which requires the submission of official receipts during the monitoring process (DO No. 028-2022, 2022).

Despite DepEd orders providing guidelines for budget allocation and utilization, school heads still require assistance in spending their funds. One of the primary reasons is the need for greater teacher involvement, which limits the heads' knowledge of the necessary materials and services for immediate financial assistance (Abellon et al., 2020). However, the head of a secondary school has effectively utilized their funds for students' activities, teachers' training, research, learning materials, and sports activities. This strategy of utilization has enabled the institution to provide inclusive learning, which has opened more career opportunities for students (Rico, 2021). Despite the existence of studies addressing concerns about school budget and allocation, the researcher is interested in exploring the extent of budget allocation and degree of budget utilization of MOOE, and its role in the improvement of learners' academic performance. There is an ongoing issue regarding the amount of school funds, which makes it challenging for school heads to allocate and utilize them effectively to enhance the learning environment. There has been an existing issue regarding the lack and inadequacy of funds for school utility expenses because of overspending in purchasing supplies and allocating budgets to less-priority expenses. Additionally, there are issues of allocating school budgets for a specific school project to other matters, which needs more funds to finish the ongoing school projects. There is also a common denominator in other schools where, after a natural calamity, the school administration cannot allocate funds immediately to resolve the structural damages because they still need to examine and assess if there would be an excess fund at the end of the quarter. This paper aims to address these issues and provide empirical data demonstrating the allocation and utilization strategies of school administrations.

The researcher hopes that this research will aid schools in the Province of Capiz in aligning their budget allocation and utilization with their intended purpose. The correct implementation and alignment of the allocated budget and its utilization can meet the organizational needs, ultimately leading to improvements in school facilities and satisfaction among members of the organization.

This study determined the extent of budget allocation and the degree of budget utilization of schools in the Province of Capiz. Specifically, this study aims to answer the following research questions:

1. What is the extent of budget allocation as a whole and in terms of fixed cost and variable cost?
2. What is the degree of budget utilization as a whole and in terms of procurement and augmentation?
3. Is there a significant difference in the extent of budget allocation when grouped according to their school location and school size?
4. Is there a significant difference in the degree of budget utilization when grouped according to their school

location and school size?

5. Is there a significant relationship between the extent of budget allocation and the degree of budget utilization among respondents?.

LITERATURE REVIEW

Budget Allocation

According to Hargreaves & Fullan from's (2015) book "Professional Capital: Transforming Teaching in School," Investment in technology, learning materials, and curriculum encouraged teachers to perform diligently in their responsibilities. These factors are the primary variables that school administration has been allocating enough financial resources to help teachers provide effective learning strategies. Although technology is distracting students from learning the traditional methods of schools, it enhances the 21st-century learners' skills relevant to this generation. Additionally, teachers become more competitive and advance in their careers because the management provides their current needs, aiding in building their professional credentials.

Moreover, according to Demas & Arcia (2015), the World Bank released reports about educational policies intended to include school autonomy in budgeting. This recommendation allows public schools to utilize their budget to recognize the institution by nurturing the facilities to make it more conducive for learning. It includes giving authority to the school council, whether students or parents, in taking control of the utilization of school funds. The board justified that aside from directly addressing the observable needs of the institution, students, and staff, it also teaches them a sense of accountability. Several countries have adopted School-based management policies, including Indonesia, El Salvador, Kenya, Mexico, and the Philippines. Positive outcomes indicate that implementing SBM to allocate school funds effectively gives the school autonomy. Furthermore, teachers and students enjoyed enhanced facilities and services, causing job satisfaction and academic excellence. However, experts are still looking for sufficient evidence to support the minority about its possible outcomes by observing and conducting studies globally.

The connection between these studies shows the priorities of schools where the budget is allocated to make it successful. Aside from operational and maintenance expenses, one of the rising factors the budget allocates is connected to investment in innovative tools and equipment to foster learning and improve teaching. Additionally, they also prioritize giving students a comfortable and safe learning environment, which is this study's primary concern.

Fixed Costs

Similarly, the Chicago School Reform by Anthony Bryk explains the democratic decision to vote for school councils that will utilize the school funds aside from the financial department and manager of the school. Aside from the aspirations of the student council in providing safe and productive school facilities, he also revealed the corruption by the previous management, which records the overspending of financial funds for unreasonable changes. First, principals requested maintenance and repairs of school facilities to cover the corruption around the academe. However, they later revealed that they did not intend to do the misconduct, but the state government did. The narratives about corruption among public school administrations were influenced by politics, which caused severe drought to their operation, leaving children out of school because of insufficient funds to finance everything. Since the student council's establishment and the school board's reformation, significant changes have occurred because it consists of parents and staff who directly engage in school problems daily and want to address them. The council allocated the school budget for administrative, operational, and maintenance expenses to provide sufficient classrooms and facilities for the students and teachers. They also distributed a budget for students' primary needs like books, school supplies, and school uniforms, which allowed students to have formal education despite the financial constraints they were experiencing (Bryk, 2018).

The history of education in England has been long reviewed by experts, which concluded that reformation of the administration and department strategy improves the competency of England's education department—instead of letting governors rule the school institution and let them handle financial resources, the intervention of

professional school financial governors made a difference in allocating the budget intended for educational purposes. It limits the political agendas hidden by political-related figures who decided to run and manage public schools. The modernization of school governance led to the formation of school councils, school governors, and school committees responsible for providing strategic planning on utilizing the school budget for school-related purposes. The voluntary election of trusted members to maintain school buildings was passed and started, which later produced world-class academic structures, helping students get learning-conducive facilities. In another perspective, expenditures for maintenance and operations include teacher salaries, building of facilities, student supplies, and maintaining functional school equipment and facilities (Wilkins, 2016).

There are observable similarities between the mentioned studies where suggestions to build school councils composed of involved parents are necessary to avoid corruption inside the management. Results showed that the opposition could question budget allocation, which is needed for effective management so that essential expenses will be prioritized in the budget report.

Variable Costs

Government funds are allocated to several aspects to maintain the organization and enhance the capacity of a country. One of these aspects is the educational sector, in which the government provides financial support to help people access formal education by attending public schools available in communities. According to the book by Caldwell & Spinks (2021) entitled "The Self-Managing School," budget allocation of school administration should be self-managed because each public school has different responsibilities. The government may have centralized public education, but the current head should self-manage the internal control of finances. For example, schools now established school councils whose members are parents of the students who can shoulder the responsibility of utilizing their class's funds. In this strategy, the school administration can focus on allocating school funds to more complex financial aspects the school needs for operation. Ultimately, the involvement of every member of the academic constitution integrates goal setting, wise planning, and high-level intellect in allocating and utilizing financial resources.

The application of digital media in teaching STEM students is encouraged because it gives them opportunities to learn more than traditional textbooks. It allows visual demonstration of STEM-related materials that traditional learning materials cannot provide. Today, the UK is allotting funds for novice teachers in public schools, which helps them to be more engaged in technology-based learning materials to improve their teaching strategies. Educational experts believe that if novice teachers quickly adopt the changes that technology has made in the academic constitution, they will improve rapidly and excel in their expertise, which can aid the struggle of shaping students to have suitable skills for this generation. However, public schools are experiencing a shortage of financial funds because of the budget cut given to state universities, and public secondary schools investing in technology are considered unnecessary expenses (Banks & Barlex, 2020).

Schools have expenses aside from their usual expenditures, which school administration may need help implementing. It is suggested to have a separate but connected council that will run and provide the necessary changes and needs using the allocated school funds to help the head manage essential matters. These studies are relevant to the study because they show other perspectives on allocating school funds for better management.

Budget Utilization

The US government has recorded that 4.3% of its GDP is for public primary and secondary education, which shows their efforts to give free formal education access to their citizens. An analysis of Michigan's 1994 school finance reform shows that exploitative actions of school administration brought gradual consequences to their public primary and secondary schools. The money spent today affects not only the present school activities but also their future endeavors because transaction records will show the budget utilization skills of financial managers. Despite the intention to increase teachers' salaries and invest in technologies and facilities that benefit both teachers and students, this additional spending can limit the school's operation in the following years, limiting the number of accepted enrollees (Hyman, 2017).

Prioritizing a conducive learning environment means investing in high-quality equipment, maintaining a positive school climate, hiring effective teachers, and providing service to address students' demands. School administrations in Nigeria are providing budget planning on how to maximize the utilization and allocation of their annual funds to avoid waste of funds and to ensure that they can provide for the schools' needs. In achieving academic excellence, Nigerian public schools give their faculty free training to teach them how to properly utilize the school budget and where and when to allocate it to mitigate learning. Additionally, wise leadership and cooperation among school faculty help achieve management success, reflected in every institution member (Usman, 2016).

The role of the government in allocating a budget for schools to utilize plays a significant role in developing schools nationwide. Their power to provide financial resources makes schools follow policies suitable for properly utilizing school funds to lend to school activities. It is needed instead of other endeavors that are less of a priority of the administration. It shows significant information related to the study, which helps to build the foundation for recommendations.

Augmentation

Recently, the COVID-19 pandemic caused significant budget cuts to most public schools globally because it gradually affected the economy. The government's fiscal policy changes involved educational funding because the government revenue is expected to fall in the aftermath of the pandemic. High-income countries like the US are allocating massive financial support for public education, which gives school administrations sufficient support to sustain their operation and maintenance. An average of 1,300 US dollars is estimated to be allotted per student for high-income countries to ensure that they will have equal access to free and formal education. As a consequence, school administrations are including medical and health assistance in the budget allocation of their financial resources as their response to the effect of the COVID-19 pandemic. They are investing in health emergencies to protect students from accidents and outbreaks. Although it has been a practice for years, mitigating budget allocation for health-related activities has become a priority to keep children and staff safe inside the institution (Al-Samarrai et al., 2020).

Procurement

In England, implementing new education means parents can enroll their children in any school. The institutions believe that students are producers of development that will contribute to the country's development, which makes them prioritize education and invest amounts for academic excellence. However, the financial resources of academic institutions will still depend on the number of students and teachers because the government needs to give them adequate funds, so there are still more left for others. Improving school facilities and services is their front to market the school to parents and children, which may be exploitative and politically conflicting with interest. Regardless, they continue to give high-quality education to their students. Moreover, the demographic profile of students and the location of schools help the education sector decide the number of annual funds to allocate to ensure that the respective amount is suitable for their operation to avoid excess money (Taylor, 2018).

Public secondary schools recorded a high volume of students, which keeps the school administration allocating budget for mitigating disaster risk management, including safety procedures, drills, and hiring security personnel. School managers intend to invest a massive budget in developing school fences, security personnel, and equipment to use in case of severe effects of natural disasters. The distribution of close-ended answers to school staff, significantly to the financial department in Nairobi City County, Kenya, revealed their efforts to provide safe classrooms. It also showed how their school funds could have supported their vision (Munyiri et al., 2020).

Studies show that school funds prioritize students' and staff's safety and comfort and improve school facilities to help students achieve positive academic performance. It shows ideas supporting the aims of this study in discussing the effectiveness of having developed facilities in achieving good academic performance.

Local Literature**Budget Allocation**

School Administration Heads are responsible for effectively managing tasks and organizing teachers' locations within their management. However, in the study conducted at Misamis Oriental, Philippines, results showed a lack of effort, knowledge of management, and information about proper budget utilization. Most schools allocate their budget for maintenance, replacing school assets, and utilizing non-reusable properties. Their lack of efficacy leads to poorly managed schools, leaving students settling in worse classrooms without proper ventilation and learning materials they can learn from. Learning is impossible to foster since their learning environment limits their ability to grasp the discussion ideas because the school administration needs to address the concerns and make wise financial decisions (Dabon, n.d).

The annual MOOE of public secondary schools in Camarines Norte Division shows the insufficient funds they needed because of its population and maximum size. Only the mega school in the district can afford to reach its maximum capacity in utilizing its budget for school-activity-based and other concerns while giving a high-quality experience to the institution's members. There needs to be an equitable allocation of budget between small, medium, and mega types of schools, which reprimands others from exhibiting their strengths and losing the opportunity to accomplish their proposed projects for enhancing and developing the academic institution.

There is still room for improvement on the allocation of MOOE within the public secondary schools of Camarines Norte division, which school heads should look further to provide efficient management for success. Public secondary schools know the essence of adherence to the policy. However, they should also have sufficient financial support to keep the organization and productive learning environment within the academic premises.

State universities are receiving support from both local and national governments. According to Arsen & DeLuca (2016), the centralization of local government in state universities reprimands them from allocating funds for academic gains because the decision about budget utilization will have a final word from the local government. Despite several proposals from the school finance administration, the local government rejects the context and only follows its budgeting plans. The intervention of the local government contributes to Michigan's public schools' effort to waste opportunity because they need the perspective that direct school staff experience. However, the decision for state university funding has been transferred to the state government because reports showed that local district officers are ineffective in helping enhance the academes' performances. The local district officers charged an amount to students' tuition fees and presented a budget cut to scholarship grants. With the takeover of the state government, Michigan public schools are slowly adapting to the freedom of allocating their financial resources to utilize the budget for operational and maintenance expenses reasonably.

The mentioned studies show the deficit in budget allocation of school administration, which is affected by different factors, including school location and school size. There are visible gaps regarding budget allocation and school volume, which the study can correlate through its development.

Fixed Costs

During the COVID-19 pandemic, teachers are most prone to financial constraints because of limited support from the government. School administration head allocate their budget to help teaching staff with their transportation expenses, salaries, the printing of learning materials, and allowances. Additionally, the school provided an internet connection for teachers to teach online classes and connect with their students. The government has given them gadgets, including laptops because they need those to make teaching more comfortable (Jamon et al., 2021). Teachers' salaries are a controversial issue in the education field in the Philippines. Allocating school funds for them shows how critical their role is that they need equipment to help them transfer learning effectively, which the study aims to identify.

Variable Costs.

The Surigao State University is allotting most of its funds to its income-generating projects, including grocery stores, rice selling, NSTP supplies, and livelihood assistance programs. The institution is utilizing these incomes to develop the infrastructure development of the university, allowing it to accumulate more funds to sustain the school's operation without financial constraints. Moreover, students involved in these activities project high employability possibilities (Malong & Dela Cruz, 2019). Sustaining the school's operation continues providing the monthly expenses and other activities but also includes unforeseen needs, especially in calamity. Schools are extending help to their students, which is a type of expense that needs another report aside from their fiscal year report submitted annually.

Budget Utilization

The Department of Education (DepEd) is responsible for assessing and monitoring the welfare of public schools in the Philippines. The guidelines for proper spending of school funds are in DepEd Order No.13 (2016), also known as the "Guidelines on the Direct Release and Use of Maintenance and Other Operating Expenses (MOOE)," showing the breakdown of school expenditures in both operational and maintenance. According to (Redoña & De Cadiz, 2019), the budget is underutilized, which means there is improper spending of school funds, which reprimands public schools for exploring their capabilities. The primary variables included in the school budget breakdown are the utilities, school improvements and activities, training and travel expenses, and instructional materials. Administration and staff revealed that they are under-compensated for the overtime to work and finish their tasks. This situation calls for assured budget allocation and the utilization of annual school financial resources.

The school administration head should have the skills to allocate the school budget appropriately to ensure that personnel holding the funds are responsible enough to carry out the task. The MOOE of the Aliaga National High School depends on school heads' socio-economic because it aids in giving them the rationale of the school's issue that needs immediate and long-term solutions. However, the study revealed that staff have different perceptions about the MOOE and seems to contradict each other's suggestion, which exists in developing the development plan. This development plan will guide the school head and other personnel in utilizing the budget properly to serve as an example and catalyst for change in the school (Viernes, 2022).

The mentioned studies show evidence that despite the allocated school budget to sustain school operations, school administrations still need to learn how to utilize it properly. It contributes to developing ideas regarding school administrations' management skills in utilizing available school funds mentioned in this study.

Augmentation

In line with the COVID-19 constraints put upon the educational sector, the Philippines recorded a decline in the budget cut for public education because of a massive loss in government revenue. The economic crisis pushed the government to cut spending limits on several community aspects, including education. In response, public schools are seeking more financial support for operational expenses because they cannot operate normally during and after the pandemic, which puts several students at risk of losing the opportunity for formal education access. Public school administrations are asking the government to raise the spending limit from 15,000 to 50,000 pesos to afford the necessities of the institution. However, since a developing country hit by a destructive health crisis, it can no longer support the protest to raise funds. They are also asking to raise the MOOE funds, but appeals are rejected because the government insisted that the nation's budget is insufficient for the year (Mateo, 2022).

Procurement

The Maintenance and Other Operating Expenses breakdown of public secondary schools in Samal Island shows that they prioritize school-based activities over other expenses. They have a massive budget for moving up ceremonies, promenades, intramurals, and other significant events than funds for teachers' salaries, utility expenses, and students' welfare programs. Despite the intention to give students an unforgettable moment during their activities, more prioritizing of the significant factors to keep the school operating is needed and could cause damage to the overall structure of the school (Ecija, 2021). It shows the intention to utilize the funds

allocated per school activities planned for the whole school year to give experience and develop school facilities. Financial resources will lessen the struggles of public secondary schools in handling the volume of students while providing them with facilities and equipment to foster learning.

Synthesis

The present study depicts similarities with the foreign and local studies mentioned above concerning the budget allocation and utilization of school administrations affecting students' academic performance. Although gaps were identified, especially in the local setting, it is still vital to have a perspective of what struggle the study may undergo related to the transparency of budget reports that schools have because of the influence of third parties. The article by Demas & Arcia (2015) shows relevance to the present study because it speaks about giving autonomy to the school administration in allocating their budget since they know better about the school's priorities. It is similar to the study because it seeks to identify how school administrations allocate and utilize their funds to develop schools for better experiences for students and staff. The study by Usman (2016) is also relevant to this study because it aligns with the objective of this paper, which aims to show the relevance of providing high-quality facilities and access to learning resources in improving students' academic performance, similar to the study by Taylor (2018). It is stated that it is only possible when school administrations know how to utilize funds for changes like investment in innovations and building beautification.

Foreign studies show successful allocation and utilization of school budgets but still have situations unfavorable to establishing well-developed school management. Additionally, local studies show gaps that this study may encounter involving political interests that could hinder acquiring transparent budget reports from Philippine public schools. The foreign study by Munyiri et al. (2020) and the local study by Dabon (n.d.) show the consequences of not having enough financial support from the government, which causes illiteracy in school budget management, causing a drastic negative effect on affected individuals. This data is relevant to this study because it shows different perspectives on how different countries' governments handle the education demand and how they support learning. In another context, the study by Arsen & DeLuca (2016) shows how the government supports higher education institutes with financial resources, allowing universities to allocate funds for its different departments to beautify facilities and improve student activities. Similarly, the study by Redoña & De Cadiz (2019) indicates how the Department of Education handles misutilization of funds by primary schools, improving school administration management. These mentioned studies are relevant to this paper because they show balanced evidence about how school administrations in the Philippines from different locations manage school funds to bring an effective learning and working environment to the students and staff.

The mentioned foreign and local studies hold weight with their relevance in building data related to the present study by showing how school administrations from different locations handle finance management. They differ in variables, research instruments, and tools but have similar objectives related to this study. The present study utilized a self-made questionnaire and imposed statistical tools suitable to interpret and analyze data from the participants coming from the school heads, senior bookkeepers, and disbursing officers from different public schools in the Schools Division of Capiz.

This study posits that the independent variable - the school profile, characterized by school location and size, is presumed to influence the dependent variables. These dependent variables include budget allocation, broken down into fixed and variable costs, and budget utilization, categorized into procurement and augmentation. Furthermore, it is assumed that budget allocation has a direct impact on budget utilization.

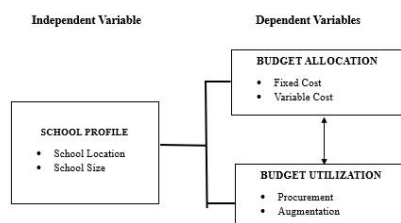


Figure 1. The schematic diagram showing the framework of the study

The schematic diagram provides a visual representation of all the study's variables, including their individual components as indicated in the boxes. The differences in the components of each dependent variable (i.e., budget allocation and budget utilization) are established based on the components of the independent variable (i.e., school location and school size). This relationship is represented by the line connections among the boxes of the variables. The bidirectional arrow between the two dependent variables illustrates the significance of their correlation to each other.

2. Method

The study was limited to 175 respondents, derived from a total population of 208 employees using Slovin's formula. Due to certain constraints and the unavailability of some respondents, purposive random sampling was employed. The respondents comprised School Heads, Senior Bookkeepers, and Disbursing Officers from various secondary public schools under the Schools Division of Capiz. The data were limited to the responses of the respondents, who were given the same set of questionnaires regardless of their position. The accepted data were solely from the survey conducted over a four-month period upon the study's completion.

This study employed a descriptive-correlational design of research. This study was descriptive because it described the extent of budget allocation and the degree of budget utilization of schools in the Schools Division of Capiz. Likewise, it was correlational as it also tried to find out whether there was a significant difference in the extent of budget allocation when grouped according to their school location and school size; and whether there was a significant difference in the degree of budget utilization when grouped according to their school location and school size. Moreover, it was also correlational as it tried to measure whether there was indeed a significant relationship between the extent of budget allocation and the degree of budget utilization among the respondents. The method of descriptive-correlational was appropriate in this study because its purpose was to determine the relationship between the budget allocation and budget utilization of schools.

The participants of the study were the one hundred seventy-five (175) randomly selected School Heads, Senior Bookkeepers and Disbursing Officers from the total population of two hundred eight (208) employees of Secondary Schools in the Schools Division of Capiz for the Academic Year 2023 – 2024.

The study used a researcher-made survey questionnaire, which was comprised of four (4) parts. Part I gathered data on the school profile where the respondent is employed, such as school location and school size. Part II gathered data on the extent of budget allocation in terms of fixed cost and variable cost. Part III focused on questions about budget utilization in terms of procurement. Part IV focused on questions about budget utilization in terms of augmentation.

Prior to the conduct of the study, the research instrument was examined and reviewed by the researcher's thesis adviser and by a panel of experts to establish the validity of the instrument that was used in gathering the necessary data. These experts were from different fields of specialization specifically, experts in the field of business and administration; a statistician; and a linguist. To assess the instrument's reliability, after the validation of the instrument, it was pre-tested to thirty (30) respondents composed of School Heads, Senior Bookkeepers, and Disbursing Officers employed in the Schools Division of Roxas City which did not form part in the actual study, with the permission from the Schools Division Superintendent. The pre-test data were tabulated to determine the reliability of the instrument, and the reliability coefficients were computed using the Cronbach Alpha of the Statistical Package for Social Sciences (SPSS).

Following the validation and reliability testing of the instrument, the actual survey testing was conducted. Consent in conducting the study was requested from the thesis adviser and the dean of the graduate school. The researcher sent a letter of request to the Schools Division Superintendent of the Schools Division of Capiz seeking permission to allow the researcher to conduct the study and distribute the questionnaire to the selected School Heads, Senior Bookkeepers, and Disbursing Officers.

Upon approval, the respondents who were willing and could participate were given copies of the survey instrument, with the assurance that their answers would be kept confidential in accordance with Republic Act 10173 or the Data Privacy Act of 2012. The respondents were chosen according to their convenience and willingness to join in this study since everyone was preoccupied with their respective work.

For the respondents to answer the questionnaire, the researcher explained the instructions thoroughly from Part I to Part IV to the respondents, and they were given ample time to answer the questionnaire. The duly accomplished questionnaires were then gathered by the researcher, checked for completeness if each question had been fully answered, tallied, and were interpreted by the appropriate statistical tools.

Statistical tools used in analyzing the data included descriptive statistics such as frequency count, percentage, mean, and inferential statistics such as T-Test, ANOVA, and Person Product Moment Correlation.

Table 3. School profile of the respondents.

School Profile	Frequency	Percentage
Entire Group	175	100
School Location		
Rural	135	77
Urban	40	23
Total	175	100
School Size		
Small	6	3.4
Medium	84	48
Large	67	38.3
Very Large	6	3.4
Mega School	12	6.9
Total	175	100

School Location. Out of 175 respondents, 135 (77%) were employed in schools located in rural areas and 40 (23%) were employed in schools located in urban areas.

School Size. Out of 175 respondents, 6 (3.4%) were employed in schools categorized as small school, 84 (48%) were employed in schools categorized as medium school, 67 (38.3%) were employed in schools categorized as large school, 6 (3.4%) were employed in schools categorized as very large school, and 12 (6.9%) were employed in schools categorized as mega school.

These selected school profiles were used to determine whether there were significant differences in the extent of budget allocation and degree of budget utilization. The difference in the extent of budget allocation as perceived by the respondents when they are categorized to their school profile (School Location and School Size) is presented in Table 8. The supplied data also includes the findings of the quantity or scores of the compared variables, the p-value, t-value, F-value, and a description that indicates if the variables or the profiles substantially vary in terms of the extent of budget allocation

3. Results and Discussion

Extent of Budget Allocation

The extent of budget allocation as a whole and in terms of fixed cost and variable cost as perceived by the school heads, bookkeepers, and disbursing officers of schools in the Province of Capiz is shown in Table 1.

Table 1. The extent of budget allocation as whole.

Components	Mean	Interpretation
Fixed Costs	3.48	High

Variable Costs	3.42	Average
Mean	3.45	High

The extent of budget allocation as perceived by the school heads, bookkeepers, and disbursing officers of schools in the Province of Capiz has a grand mean of 3.45, “high”, which means that the extent of budget allocation of schools is high. Further, in terms of fixed cost, the mean was 3.48 “high” and in terms of variable cost, the mean was 3.42, “average”. Among the components of budget allocation, fixed costs have the highest grand mean. This means that schools have a high allocation of budget for their fixed costs. This also imply that they allocate their budget for the fixed expenses of the schools. A high budget allocation suggests that the administration is better aware of its financial responsibilities and is able to make more deliberate choices about its spending habits. Additionally, allocating fixed costs facilitates improved budgetary tracking and forecasting. Every fixed expenditure category may be given a precise number, making it easy to track spending and compare it to the budget.

The result shows similarities to the study of Usman (2016), where it was stated that most of the school budget was allocated to the monthly maintenance expenses of the school to keep students in a comfortable learning environment. It also shows similarities to the study by Jamon et al. (2021), which shows that school budgets primarily correspond to the monthly expenses to maintain the school to give teachers and students well-maintained facilities to foster active learning. However, it offers contrasting results to the study of Malong & Dela Cruz (2019), where it was stated that the school administration has prioritized income-generating investments, which is considered under the variable cost.

Degree of Budget Utilization

The degree of budget utilization as a whole and in terms of procurement and augmentation as perceived by the school heads, bookkeepers, and disbursing officers of schools in the Province of Capiz is shown in Table 2.

Table 2. The degree of budget utilization

Components	Mean	Interpretation
Procurement	3.63	High
Augmentation	3.56	High
Mean	3.60	High

Overall, the degree of budget utilization as perceived by the school heads, bookkeepers, and disbursing officers of schools in the Province of Capiz has a grand mean of 3.60, “high”, which means that the degree of budget utilization of schools is high. Further, in terms of procurement, the mean was 3.63 “high” and in terms of augmentation, the mean was 3.56, “high”. Among the components of budget utilization, procurement have the highest grand mean. This means that schools have a high utilization of budget for procurement. This implies that their budget is highly utilized for procurement of needed materials and supplies for the school operation.

High budget utilization for procurement indicates that the administration is efficiently utilizing their budget to procure materials and supplies needed to support the day-to-day operations of the school. Visions of schools were supported since there was a wise financial decision regarding the maintenance and operation needs of the school, which the administration successfully utilized.

The results show similarities to the study of Taylor (2018) and Ecija (2021), which supported the idea that school budgets were mainly allotted for school supplies and maintenance. Visions of the academy were supported since there was a wise financial decision regarding the maintenance and operation needs of the school, which the administration successfully utilized. However, it shows differences in the study of Munyiri et al. (2020) and Mateo (2022) because it presents how school visions were not supported due to financial problems. Several public schools suffer from financial issues, and even the institution's maintenance is impossible.

Difference in the Extent of Budget Allocation when respondents are grouped according to their School

Profile

Table 4. Difference in the extent of budget allocation when the respondents are grouped according to their school profile.

School Profile	t-value / F-value	p-value	Probability
School Location	1.574	0.122	ns
School Size	3.460	0.010	S

In relation with the obtained grand mean, the results show the significant difference of the extent of budget allocation when respondents are grouped according to school location (0.122) with the $t = 1.574$ and school size (0.010) with the $F = 3.460$. The results confirmed the hypothesis that there is no significant difference in the extent of budget allocation perceived by the respondents in schools in the Province of Capiz when they are grouped according to their school location. However, they differ when grouped according to their school size.

The results present that regardless of the differences when they are grouped according to their school location, the respondents perceived extent of budget allocation does not differ. It means that the respondents' perception of the extent of budget allocation is not affected whether when they are grouped according to the selected profile.

Budget Allocation and School Location.

There is no significant difference in the extent of budget allocation when they are grouped according to their school location because the obtained t-value had a significant value of 0.122 which is higher than 0.05 alpha. The null hypothesis which states that there is no significant difference in the extent of budget allocation when respondents are grouped according to their school location is accepted.

The results imply that the extent of budget allocation does not differ with school location. Respondents employed in schools located in rural areas and urban areas have similar perceptions of the extent of budget allocation. The findings suggest that schools across different locations in Capiz are allocating their budgets in a similar manner. There may not be significant differences in how funds are distributed among various aspects of education or resources across different school locations. Additionally, it could indicate that there is a degree of equity in the allocation of resources among schools, regardless of their location. This might be viewed positively as it suggests a fair distribution of funds.

The results aligned with the Annual Improvement Plan with DepEd Order No.13 presented in the study of Gipaya (2022), showing a fair distribution of financial support for every school and providing guidelines with MOOE. The Department of Education expects school heads to allot and utilize the funds moderately to address the school's needs for the academic year. On the contrary, the result from Arsen & DeLuca's (2016) study shows that despite the fair distribution of financial support, the local government where the school is located makes it a struggle for them to utilize the money. Staff from local governments are blocking the distribution of financial support and intervening with school activities.

Budget Allocation and School Size

There is a significant difference in the extent of budget allocation when they are grouped according to their school size because the obtained F-value had a significant value of 0.010 which is lower than 0.05 alpha. The null hypothesis which states that there is no significant difference in the extent of budget allocation when respondents are grouped according to their school size is rejected.

The results imply that the extent of budget allocation differ with school size. Respondents employed in schools categorized as very large school and mega school has higher extent of budget allocation compared to those respondents employed in schools categorized as small school. It further implies that larger schools and smaller schools are allocating their budgets in distinct ways. Different-sized schools may have diverse educational needs, leading to variations in how they allocate their budgets. Larger schools might need to address different

challenges or offer a wider range of programs, impacting budget priorities. In addition, variations in budget allocation might be attributed to the administrative practices and decision-making processes within schools. Larger schools may have different priorities or decision-making structures that affect how funds are distributed.

The results show similarities with how Camarines Norte Division secondary public schools call for financial support because of its large population (Pato, 2023). More considerable monetary funds were needed for schools catering to several students per academic year to ensure their needs were met, from the school environment to school supplies. Additionally, there needs to be an improvement in the budget utilization of massive public schools since funds for the education sector have been limited, offering limited services and assistance.

Difference in the Degree of Budget Utilization when respondents are grouped according to their School Profile

The difference in the degree of budget utilization as perceived by the respondents when they are categorized to their school profile (School Location and School Size) is presented in Table 9. The supplied data includes the findings of the quantity or scores of the compared variables, the p-value, t-value, F-value, and a description that indicates if the variables or the profiles substantially vary in terms of the degree of budget utilization.

Table 5. Difference in the degree of budget utilization when the respondents are grouped according to their school profile.

School Profile	t-value / F-value	p-value	Probability
School Location	0.299	0.765	ns
School Size	3.430	0.010	S

The results present the significant difference of the degree of budget utilization when respondents are grouped according to school location (0.765) with the $t = 0.299$ and school size (0.010) with the $F = 3.430$. The findings supported the hypothesis that, when respondents are categorized based on their school location, there is no significant difference in the respondents' perceptions of the degree of budget utilization of schools in the Province of Capiz. While, when categorized based on their school size, they differ.

The findings show that respondents' perceptions of the degree of budget utilization remain the same, even when they are categorized based on the location of their schools. This indicates that categorizing respondents based on the chosen profile has no effect on their perception of the degree to which the budget is utilized.

Budget Utilization and School Location. There is no significant difference in the degree of budget utilization when they are grouped according to their school location because the obtained t-value of 0.299 had a significant value of 0.765 which is higher than 0.05 alpha. The null hypothesis which states that there is no significant difference in the degree of budget utilization when respondents are grouped according to their school location is accepted.

The results imply that the degree of budget utilization does not differ with school location. Respondents employed in schools located in rural areas and urban areas have similar perceptions on the degree of budget utilization. It further implies that schools across different areas within Capiz tend to use their budgets in a similar way. This could indicate a level of consistency or uniformity in how financial resources are allocated among schools in the province. Moreover, this suggests that the way funds are utilized, whether for educational resources, programs, or other purposes, does not significantly vary based on geographical location.

The results show similarities with Taylor (2018), which stated that school location does not affect the need for budget utilization. Additionally, despite Arsen & DeLuca (2016) indicating that local governments were blocking the financial management decisions of public schools, the essence of budget utilization will still be recognized no matter where schools are established. **Budget Utilization and School Size.** There is a significant difference in the degree of budget utilization when they are grouped according to their school size because the obtained F-value of 3.430 had a significant value of 0.010 which is lower than 0.05 alpha. The null hypothesis which states that there is no significant difference in the degree of budget utilization when respondents are grouped according to their school size is rejected.

The results imply that the degree of budget utilization differ with school size. Respondents employed in schools categorized as very large school and mega school has higher degree of budget utilization compared to those respondents employed in schools categorized as small school. The findings further implies that larger and smaller schools in Capiz utilized their budgets in distinct ways. Larger schools often have a more diverse student body and therefore may need to allocate resources differently to meet varied needs. This could include investments in specialized programs, facilities, or staff while smaller schools might focus more on personalized attention and community-building initiatives, necessitating a different allocation of funds towards smaller class sizes or extracurricular activities that foster a tight-knit environment. Furthermore, larger schools can leverage their size to negotiate better deals with suppliers, potentially saving money on bulk purchases of resources like textbooks, technology, or equipment. Moreover, they may have the capacity to spread fixed costs (such as administrative salaries or building maintenance) across a larger student population, leading to more efficient use of resources per capita. The decision-making processes in larger schools might involve more stakeholders and bureaucratic layers, influencing how budgets are allocated. This could result in longer lead times for decisions but also a more comprehensive evaluation of needs and potential impacts. Conversely, smaller schools may have more nimble decision-making structures, allowing them to quickly respond to emerging needs or opportunities but potentially lacking the resources for extensive planning or evaluation. Lastly, larger schools may have the resources to offer a wider array of academic and extracurricular programs, catering to diverse student interests and learning styles. Smaller schools on the other hand, might focus on core academic subjects and essential extracurriculars due to resource constraints but could excel in fostering strong teacher-student relationships and a close-knit community atmosphere.

The findings are consistent with the way that secondary public schools in the Camarines Norte Division request funding due to the division's high population in the study of Pato (2023). For schools that serve multiple students per academic year, more substantial financial resources were required to guarantee that their needs—from the school environment to school supplies—were satisfied. Massive public schools' budget utilization also needs to be improved because there aren't enough funds for the education sector to provide them with the services and support, they need. Relationship Between the Extent of Budget Allocation and the Degree of Budget Utilization

The findings of the correlation between the extent of budget allocation and the degree of budget utilization of Schools in the Province of Capiz is shown in Table 6. The computed Pearson-r value of the relationship between the extent of budget allocation and the degree of budget utilization is 0.827 with a significance value of 0.000. The results showed that there is a significant relationship between the extent of budget allocation and the degree of budget utilization as perceived by the respondents from schools in the Province of Capiz.

Table 6. Relationship between the extent of budget allocation and the degree of budget utilization.

Variables	r	Sig. – 2 (tailed value)	Probability
Extent of Budget Allocation	0.827	0.000	s
Degree of Budget Utilization			

There is a significant relationship between the extent of budget allocation and the degree of budget utilization because the Pearson-r value of 0.827 has a significance value of 0.000 which is lower than the 0.05 alpha. The null hypothesis which states that there is no significant relationship between the extent of budget allocation and the degree of budget utilization is rejected.

The results imply that budget allocation and budget utilization are significantly related. Which means, that a higher degree of budget allocation can result to a higher extent of budget utilization. This significant relationship between budget allocation and budget utilization of Schools in the Province of Capiz implies that effective planning is associated with better use of allocated funds. This suggests that schools engaging in thoughtful budgeting processes are more likely to see a positive impact on how resources are utilized. Furthermore, the

findings indicate an alignment of budgetary priorities with actual spending, highlighting a strategic approach to resource allocation. The significant relationship underscores the importance of coherent and targeted budgeting practices, contributing to efficient utilization of financial resources.

The results portray consistent connections with Caldwell & Spinks (2021), Hyman (2017), Usman (2016), and Viernes (2022), where authors indicate that wise budget allocation leads to the utilization of monetary funds for its purpose. It does not leave a penny stored in banks because the administration addressed school issues by managing its finances for specific purposes. Budget allocation plays a significant role in budget utilization since the utilization of something comes after an organized allocation of funds. On the contrary, the results contrast with Dabon (n.d.) and Bryk (2018), whose studies indicated that corruption in admission limits their budget allocation so that they can utilize the remaining money for personal use.

4. Conclusion and Implications

Study results revealed that the extent of budget allocation of schools in the Province of Capiz was “high” and the degree of budget utilization of school in the Province of Capiz was also “high”. The findings also established that there were no significant differences that were found in the extent of budget allocation and the degree of budget utilization when the respondents are grouped according to their school location. However, significant difference exists when grouped according to school size. Furthermore, it was found out that there was a significant relationship between the extent of budget allocation and the degree of budget utilization of schools in the Province of Capiz.

Considering the study's findings, the following recommendations are proposed to improve the budget allocation and budget utilization schools in the Province of Capiz:

1. The school administrator and finance personnel need to schedule sufficient time for a meeting to discuss the allocation of the budget for various expenses, aiming for a deeper comprehension of anticipated costs. Furthermore, to enhance the budgeting procedure, it's advisable to introduce a transparent and collaborative approach involving essential stakeholders like parents, teachers, and other partners. This approach will guarantee transparency, accountability, and inclusiveness in fund distribution. Moreover, engaging in open dialogues with stakeholders will facilitate informed decision-making.
2. To equip school administrators and staff with the necessary skills for efficient budget management, it is recommended to provide comprehensive training and support regarding financial literacy and efficient budget management, enabling them to utilize funds effectively. This initiative will promote accountability in financial practices within the schools in the Province of Capiz. Moreover, budget utilization and budgetary decisions should be grounded as much as possible on facts and figures, whether from previous expenditures or well-informed projections. As a result, school administrators and personnel will have a better awareness of the various expenses they incurred and, in this way, surplus budget and overdraft can be avoided.
3. To ensure a fair and equitable distribution of funds, it is recommended to perform a comprehensive assessment of the resource needs of schools in the Province of Capiz. This assessment should consider factors such as school size, infrastructure needs, educational resources, and daily expenses to guarantee a just and equitable distribution of funds. By identifying the specific needs of each school, one can ensure that the allocated budget aligns with their unique requirements and priorities. This approach facilitates a more effective budget allocation.
4. To effectively track the utilization of allocated funds in the schools in the Province of Capiz, it is recommended to establish a reliable monitoring system of budget utilization. This monitoring system will help in identifying any discrepancies or inefficiencies in budget utilization within schools in the Province of Capiz and allow appropriate corrective measures to be taken to ensure efficient and effective use of funds.
5. The school administrator and finance personnel should see to it that the budget allocation is aligned with the utilization and spending of budget. With this, they can avoid inadequacy of funds and overspending on less priority expenses. Additionally, school administrators should make use of the

transparency board for them to be more transparent with their spending and in a way, it would let the people in the organization know how the administrators spend the fund.

6. To uphold transparency and accountability in budget allocation and expenditure, it's advised that the accounting personnel of the Capiz Division regularly audit the financial records of schools across the province. This measure will help detect any irregularities or inconsistencies, ensuring funds are used as intended. Additionally, the Capiz Schools Division should consider frequent rotations and reassignments of School Heads to prevent collusion with budget personnel. Likewise, similar rotations should apply to senior bookkeepers and disbursing officers, especially if they are entitled to additional allowances like travel or hazard pay, to prevent collusion and irregularities in budget management.

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