

# School Heads' Financial Management and Program Implementation: Basis for Policy Recommendations

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**Abstract.** As stewards of schools, school heads play a critical role in creating an enabling and supportive environment for effective teaching and learning. They work on all aspects of school administration. They are the school leaders overseeing the development and implementation of all educational programs and projects. This study examines the competence of school heads in financial management in selected public schools across the National Capital Region, focusing on planning, prioritizing needs, budgeting, monitoring, and evaluation. Using a descriptive quantitative research design, data was gathered from 350 respondents. Results showed that school heads were assessed as Highly Competent in financial management, with significant differences noted among the assessments of the three respondent groups regarding planning, monitoring, and evaluation. Additionally, implementing programs, projects, and activities, particularly in identifying priority areas, involving stakeholders, and allocating and utilizing funds, was rated as Highly Implemented. These findings highlight the critical role of school heads in addressing financial management challenges and informing policy recommendations to enhance their competence and the effective execution of educational programs.

**Keywords:** Financial management; School heads; School leadership; School program.

## 1.0 Introduction

School heads are critical in creating an enabling and supportive environment for effective teaching and learning. They work on all aspects of school administration. They are the school leaders overseeing the development and implementation of all educational programs and projects. School heads are essential to the government's goal of providing high-quality basic education. According to Republic Act 9155, also known as the Governance of Basic Education Act of 2001, a school head oversees a school's administrative and instructional supervision or cluster of schools. This policy states that the school must be managed by a school head who has authority, responsibility, and accountability for achieving higher learning outcomes.

On the other hand, Macadatar (2020) emphasized the roles of school heads, including, but not limited to, leadership, management, teacher evaluation, and enforcing student discipline. In addition, leading and managing the school requires more than hard work and time. Therefore, an effective school head or principal must have the correct leadership qualities and mindset. The competence of a school leader is the most important factor in running the school smoothly despite the obstacles that may arise.

Furthermore, emphasizing the importance of being financially competent as a school head is central to managing a school (Wango, 2011). The study by Espinosa (2018) noted that school heads and relevant management bodies were entrusted with ensuring funds were well managed in the school. Lastly, being competent in financial management makes implementing programs, projects, and activities more possible. If properly utilized, it will benefit the school to realize all its undertakings and achieve educational goals and objectives. The success of every school will rely very much on whether the educational manager or leader efficiently and effectively utilizes the available resources and seeks to obtain funds from legal, authorized, and legitimate sources. The MOOE or Maintenance and Other Operating Expenses are a significant part of this.

In this light, the researcher decided to conduct this study to gain an in-depth understanding of the prevailing financial management-related issues, concerns, and challenges of public school heads across the National Capital Region to the implementation of programs, projects, and activities in the school. If this study can provide a concrete solution, it will enlighten the readers and other researchers on the importance and relevance of this research endeavor.

## **2.0 Methodology**

### **2.1 Research Design**

This study utilized a descriptive quantitative research design to identify the school heads' competence in financial management in selected public schools across the National Capital Region. Descriptive research design is a quantitative method that aims to collect measurable information for statistical analysis of the population sample. As Hassan (2024) explains, it is widely used to describe or document the characteristics, behaviors, attitudes, opinions, or perceptions of a group or population being studied. This design focuses on gathering numerical data that can be generalized across groups or used to explain specific phenomena.

### **2.2 Research Locale**

This study employed random sampling to select the research locales. According to Noor, S. et al. (2015), random sampling ensures that each sample has an equal probability of being chosen, which leads to an unbiased, representative, and equal probability of the population. The specific Schools Division Offices chosen for this study were from Caloocan, Quezon City, and Manila, representing key areas within the National Capital Region.

### **2.3 Research Participants**

A purposive sampling technique was employed to select the research participants. According to Robinson (2014), purposive sampling involves intentionally selecting participants based on specific criteria aligned with the research objectives. The participants included public elementary teachers, master teachers, and school heads affiliated with the selected Schools Division Offices. Three hundred fifty respondents participated in the study, comprising 295 public school teachers, 30 master teachers, and 25 school heads. This approach ensured that the data collected would accurately reflect the knowledge and experiences of individuals most relevant to the study.

### **2.4 Research Instrument**

The researcher utilized a list of research instruments in data gathering throughout the study. Some items in the survey questionnaire were adapted from DO 60 s. 2016-Implementation of the financial Management Operations Manual and Orientation of DepEd financial Management Staff at the Regional, Division, and School Levels, as well as from the Philippine Professional Standards for School Heads (PPSSH) Domain 2, Managing School Operations and Resources, to align with the themes of this investigation, including self-constructed items. This research instrument was designed to assess the level of competence of school heads in financial management. The second part of the questionnaire consists of questions focusing on the level of implementation of programs, projects, and activities in their schools. The third part addresses the challenges and issues encountered by the respondents during the implementation of these programs, projects, and activities. Lastly, the fourth part explores how the respondents addressed the identified challenges in the implementation process.

The researcher's adviser reviewed the questionnaire, which then underwent content validation by an English expert to correct grammatical errors, a public school district supervisor (PSDS) for organizational review, and three panel members for alignment with the statement of the problem (SOP). The recommendations, suggestions, and inputs from the validators were incorporated into the instrument. The final draft was pilot-tested on at least

fifteen (15) selected samples who were not actual study respondents but shared similar characteristics with the intended respondents. The instrument reflected a Cronbach's Alpha of 0.96, interpreted as having excellent reliability. Following the pilot test, the adviser revised the instrument finally, and the hard copy was prepared for distribution and completion.

## 2.5 Data Gathering Procedure

Before the distribution and administration of the survey questionnaire, the researcher prepared a letter seeking permission and endorsement from the Regional Director of DepEd National Capital Region to the Schools Division Superintendents of Caloocan, Quezon City, and Manila, as well as to selected public elementary school principals. After obtaining approval from the regional office, the researcher secured letters requesting permission from the respective SDOs and schools to conduct the study. The researcher personally delivered the letters and the necessary attachments, including the survey questionnaire, to the respondents. Clear instructions on how to complete the questionnaire were provided. The researcher also sought assistance from a supervisor and adviser in distributing the questionnaires. The researcher's contact number was made available to address any questions. The data collected from the completed survey questionnaires were organized and categorized. The tallied results were then used to conduct a thorough analysis and interpretation, leading to appropriate findings, conclusions, and recommendations.

## 2.6 Ethical Considerations

The researcher maintained ethical standards by securing informed consent, ensuring participants' confidentiality, and carefully designing the study to prevent potential harm. Clear communication of the study's purpose and respect for participants' rights, including their right to withdraw at any point, were prioritized. Additionally, the researcher followed all required institutional and legal guidelines, obtained approvals, and adhered to proper protocols. Data integrity was preserved through accurate analysis and honest reporting, ensuring that the conclusions and recommendations were based only on the authentic responses provided by the participants.

## 3.0 Results and Discussion

### 3.1 Competence of School Heads in Financial Management

#### *In terms of Planning*

**Table 1.** Descriptive statistics of the assessment on the competence of school heads in financial management in terms of planning

| Indicators                                                                                 | Teachers                | Master Teachers         | School Heads            | Mean                    | Interpretation   |
|--------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------|
| 1. Set goals and objectives for utilizing the school's resources.                          | 3.82                    | 3.50                    | 3.84                    | 3.72                    | Highly Competent |
| 2. Formulate the right financial management strategies.                                    | 3.81                    | 3.77                    | 3.92                    | 3.82                    | Highly Competent |
| 3. Set timelines for submitting financial reports.                                         | 3.82                    | 3.60                    | 3.84                    | 3.75                    | Highly Competent |
| 4. Determine the risks and constraints of executing the financial strategies.              | 3.82                    | 3.47                    | 3.88                    | 3.72                    | Highly Competent |
| 5. Estimate the costs and expenses of improvement.                                         | 3.81                    | 3.53                    | 3.92                    | 3.75                    | Highly Competent |
| 6. Determines the savings and other resources available.                                   | 3.78                    | 3.53                    | 3.84                    | 3.72                    | Highly Competent |
| 7. Forms policies concerning the inflow and outflow of funds.                              | 3.83                    | 3.43                    | 3.92                    | 3.73                    | Highly Competent |
| 8. Ensures contingency funds for the programs, projects, and activities.                   | 3.80                    | 3.57                    | 3.88                    | 3.75                    | Highly Competent |
| 9. Organizes committee for school fund.                                                    | 3.82                    | 3.57                    | 3.92                    | 3.77                    | Highly Competent |
| 10. Establishes the roles and responsibilities of personnel in charge of fund disbursement | 3.87                    | 3.67                    | 3.96                    | 3.83                    | Highly Competent |
| <b>Mean</b>                                                                                | <b>3.82</b>             | <b>3.56</b>             | <b>3.89</b>             | <b>3.76</b>             |                  |
| <b>Interpretation</b>                                                                      | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> |                  |

**Legend:** 0.01 – 1.75: Not Competent, 1.76 – 2.50: Slightly Competent, 2.51 – 3.25: Moderately Competent, 3.26 – 4.00: Highly Competent

The findings in Table 1 revealed that based on the responses of the teachers, master teachers, and school heads, establishing the roles and responsibilities of personnel in charge of fund disbursement received the highest combined average weighted mean of 3.83 with a descriptive value of Highly Competent. The data from the same respondents shows that setting goals and objectives in the utilization of the resources of the school, determining

risks and constraints of executing the financial strategies, and determining the savings and other resources available had the lowest combined average weighted mean at 3.72 and considered Highly Competent.

Based on the Philippine Professional Standards for School Heads, it is important to note that school heads set the school's direction, goals, and objectives and ensure that all stakeholders understand and embrace them. They identify and comprehend relevant sources of information, such as existing laws, policies, research, feedback, and contexts, and establish their connections and alignment. They manifest a complete understanding of the school's current and desired states and execute various collaborative strategies with stakeholders to respond appropriately to the school's dynamic and rapidly evolving needs.

### *In terms of Prioritizing Needs*

The findings in Table 2 indicate that, among the indicators, the area of deciding which improvement areas should be prioritized and which can be deferred received the highest combined average weighted mean of 3.89, with a descriptive value of Highly Competent. In contrast, creating strategies and practices for each priority improvement area had the lowest combined average weighted mean of 3.69, although it was still classified as Highly Competent.

**Table 2.** Descriptive statistics of the assessment on the competence of school heads in financial management in terms of prioritizing needs

| Indicators                                                                                              | Teachers                | Master Teachers         | School Heads            | Mean                    | Interpretation   |
|---------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------|
| 1. Organize the school-community planning team that will help identify the priority improvement areas   | 3.92                    | 3.73                    | 3.88                    | 3.84                    | Highly Competent |
| 2. Call for a meeting with the school-community planning team                                           | 3.77                    | 3.80                    | 3.96                    | 3.84                    | Highly Competent |
| 3. Create a list of priority improvement areas in the school to be supported by the available resources | 3.76                    | 3.80                    | 3.88                    | 3.81                    | Highly Competent |
| 4. Identify the urgent and important needs to be met                                                    | 3.72                    | 3.63                    | 3.88                    | 3.72                    | Highly Competent |
| 5. Rank the effort required for each priority improvement area                                          | 3.78                    | 3.70                    | 3.92                    | 3.80                    | Highly Competent |
| 6. Compare all the identified needs                                                                     | 3.79                    | 3.63                    | 3.88                    | 3.77                    | Highly Competent |
| 7. Create strategies and practices needed for each priority improvement area                            | 3.73                    | 3.37                    | 3.96                    | 3.69                    | Highly Competent |
| 8. Allocate time requirements for each priority improvement area                                        | 3.69                    | 3.60                    | 3.92                    | 3.74                    | Highly Competent |
| 9. Decide what improvement areas need to be prioritized and what to let slide                           | 3.92                    | 3.80                    | 3.96                    | 3.89                    | Highly Competent |
| 10. Disseminate the finalized improvement area to be prioritized.                                       | 3.71                    | 3.77                    | 3.92                    | 3.80                    | Highly Competent |
| <b>Mean</b>                                                                                             | <b>3.77</b>             | <b>3.68</b>             | <b>3.92</b>             | <b>3.79</b>             |                  |
| <b>Interpretation</b>                                                                                   | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> |                  |

**Legend:** 0.01 – 1.75: Not Competent, 1.76 – 2.50: Slightly Competent, 2.51 – 3.25: Moderately Competent, 3.26 – 4.00: Highly Competent

In analyzing these results, prioritizing needs involves evaluating the impact of each improvement area on the overall goal. This approach aligns with Bensla's (2023) study, highlighting urgency, importance, and available resources. Urgency requires identifying which needs demand immediate attention and which can be addressed later. Importance involves determining which needs are crucial for achieving the desired outcomes versus those less critical. Resources pertain to assessing the availability of time, money, personnel, or equipment necessary to address the needs. Considering these factors allows for effective prioritization of improvement areas, deciding which to address first and which to postpone.

### *In terms of Budgeting Funds*

The findings in Table 3 reveal that, among the indicators, forming financial objectives received the highest combined average weighted mean of 3.82, classified as Highly Competent, based on the responses of teachers, master teachers, and school heads. In contrast, revising the budget had the lowest combined average weighted mean of 3.65, though it was still considered Highly Competent.

These results align with Edeneld's (2013) study, Teacher Perception of the Impact of Reduced School Budget, which noted that differences in respondents' perspectives could stem from variations in their orientations and work responsibilities. However, despite these differing viewpoints, there was a consensus among all three groups that school efforts and financial resources should be focused on achieving educational goals.

**Table 3.** Descriptive statistics of the assessment on the competence of school heads in financial management in terms of budgeting funds

| Indicators                               | Teachers                         | Master Teachers                  | School Heads                     | Mean                             | Interpretation   |
|------------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|------------------|
| 1. Schedules budgeting meetings          | 3.89                             | 3.30                             | 3.92                             | 3.70                             | Highly Competent |
| 2. Gathers past finances                 | 3.75                             | 3.77                             | 3.92                             | 3.81                             | Highly Competent |
| 3. Forms financial objectives            | 3.77                             | 3.80                             | 3.88                             | 3.82                             | Highly Competent |
| 4. Creates budgeting strategy            | 3.68                             | 3.50                             | 3.92                             | 3.70                             | Highly Competent |
| 5. Create a preliminary budget           | 3.74                             | 3.63                             | 3.92                             | 3.76                             | Highly Competent |
| 6. Review the preliminary budget         | 3.73                             | 3.63                             | 3.92                             | 3.76                             | Highly Competent |
| 7. Find other possible sources of budget | 3.73                             | 3.67                             | 3.92                             | 3.77                             | Highly Competent |
| 8. Revise the budget                     | 3.70                             | 3.57                             | 3.68                             | 3.65                             | Highly Competent |
| 9. Approves the budget                   | 3.92                             | 3.67                             | 3.80                             | 3.80                             | Highly Competent |
| 10. Produce a budgetary report           | 3.70                             | 3.73                             | 3.84                             | 3.76                             | Highly Competent |
| <b>Mean Interpretation</b>               | <b>3.76<br/>Highly Competent</b> | <b>3.63<br/>Highly Competent</b> | <b>3.87<br/>Highly Competent</b> | <b>3.75<br/>Highly Competent</b> |                  |

### *In terms of Monitoring*

The findings in Table 4 revealed that based on the responses of the teachers, master teachers, and school heads reporting to the SDO, the monitoring results for appropriate technical actions received the highest combined average weighted mean of 3.83 with a descriptive value of Highly Competent. The data from the same respondents shows that setting goals and expectations about why monitoring is needed had the lowest combined average weighted mean at 3.73 and considered Highly Competent.

**Table 4.** Descriptive statistics of the assessment on the competence of school heads in financial management in terms of monitoring

| Indicators                                                                                                                        | Teachers                         | Master Teachers                  | School Heads                     | Mean                             | Interpretation   |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|------------------|
| 1. Designs an efficient plan for monitoring the school nances                                                                     | 3.89                             | 3.50                             | 3.85                             | 3.75                             | Highly Competent |
| 2. Create a plan or outline of how monitoring the school nances can be done                                                       | 3.75                             | 3.83                             | 3.88                             | 3.82                             | Highly Competent |
| 3. Set goals and expectations about why monitoring is needed                                                                      | 3.66                             | 3.67                             | 3.88                             | 3.73                             | Highly Competent |
| 4. Decides how to monitor the school nances                                                                                       | 3.67                             | 3.67                             | 3.88                             | 3.74                             | Highly Competent |
| 5. Ensures that there is periodic or timely conduct of monitoring the school finances                                             | 3.67                             | 3.67                             | 3.92                             | 3.75                             | Highly Competent |
| 6. Tracks operational bottlenecks and issues to update and calibrate the response                                                 | 3.78                             | 3.67                             | 3.88                             | 3.78                             | Highly Competent |
| 7. Maintains records of monitoring results and integrates them into preparing SIP, OPCRF, and other school projects and programs. | 3.79                             | 3.60                             | 3.92                             | 3.77                             | Highly Competent |
| 8. Evaluate the report to determine whether the nances are properly utilized or not                                               | 3.73                             | 3.60                             | 3.88                             | 3.74                             | Highly Competent |
| 9. Links monitoring results to the organization and individual performance                                                        | 3.69                             | 3.70                             | 3.92                             | 3.77                             | Highly Competent |
| 10. Reports to the SDO the monitoring results for appropriate technical support                                                   | 3.73                             | 3.80                             | 3.96                             | 3.83                             | Highly Competent |
| <b>Mean Interpretation</b>                                                                                                        | <b>3.73<br/>Highly Competent</b> | <b>3.67<br/>Highly Competent</b> | <b>3.89<br/>Highly Competent</b> | <b>3.76<br/>Highly Competent</b> |                  |

A similar study by Amos et al. (2021) emphasized that regular monitoring and evaluation of financial resources facilitate smooth and proper financial reports prepared for any school. Preparing such statements at least every month would create measures for addressing and resolving the financial challenges beforehand. However, from a general perspective, setting goals and expectations is crucial as it helps to clarify what our desired outcomes are and provides a roadmap to achieve them. Monitoring these goals is essential as it helps us track our progress and identify areas we need to improve. Additionally, monitoring helps us to remain accountable and stay motivated toward achieving our goals. It also helps to establish a sense of discipline, focus, and commitment towards achieving our objectives. In summary, monitoring is important as it helps us make necessary adjustments, stay on track, and succeed in our endeavor.

### *In terms of Evaluation*

The findings in Table 5 show that, based on responses from teachers, master teachers, and school heads, providing decisions and directions on school issues arising from various evaluation activities received the highest combined average weighted mean of 3.83, rated as Highly Competent. Conversely, leading the institutionalization of the school evaluation system had the lowest combined average weighted mean of 3.73, though it was also considered Highly Competent.

**Table 5.** Descriptive statistics of the assessment on the competence of school heads in financial management in terms of evaluation

| Indicators                                                                                                                                                                                                | Teachers                | Master Teachers         | School Heads            | Mean                    | Interpretation   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------|
| 1. Leads the institutionalization of the school evaluation system                                                                                                                                         | 3.82                    | 3.50                    | 3.88                    | 3.73                    | Highly Competent |
| 2. Identifies the source of evaluation and design an efficient plan                                                                                                                                       | 3.77                    | 3.73                    | 3.92                    | 3.81                    | Highly Competent |
| 3. Provides decisions and directions on school issues and matters arising from various evaluation activities such as school meetings, stakeholders' forums, inter-agency meetings, among others;          | 3.81                    | 3.77                    | 3.88                    | 3.82                    | Highly Competent |
| 4. Communicates school concerns to the school division office during meetings, fora, or conferences;                                                                                                      | 3.78                    | 3.57                    | 3.88                    | 3.74                    | Highly Competent |
| 5. Oversees the conduct of evaluation activities in the school and ensures that these are according to established standards;                                                                             | 3.79                    | 3.63                    | 3.92                    | 3.78                    | Highly Competent |
| 6. Engages different stakeholders, such as the members of the School Planning Team and School Governance Council, in the conduct of evaluation activities.                                                | 3.67                    | 3.63                    | 3.92                    | 3.74                    | Highly Competent |
| 7. Conducts Quarterly Program Implementation Reviews in the school to track physical and financial accomplishments and assess the progress of implementation of plans, programs, projects, and activities | 3.77                    | 3.57                    | 3.92                    | 3.75                    | Highly Competent |
| 8. Maintains records of monitoring results and integrates such in the preparation of SIP, OPCRF, and other school projects and programs.                                                                  | 3.76                    | 3.560                   | 3.92                    | 3.76                    | Highly Competent |
| 9. Prepares school evaluation reports for dissemination to internal and external stakeholders, such as the School Report Card, Transparency Board, and Learning Action Cells.                             | 3.76                    | 3.57                    | 3.92                    | 3.75                    | Highly Competent |
| 10. Determines additional performance indicators and other adjustments in the school evaluation plan as necessary.                                                                                        | 3.77                    | 3.67                    | 3.96                    | 3.80                    | Highly Competent |
| <b>Mean</b>                                                                                                                                                                                               | <b>3.77</b>             | <b>3.62</b>             | <b>3.91</b>             | <b>3.76</b>             |                  |
| <b>Interpretation</b>                                                                                                                                                                                     | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> |                  |

Amos et al. (2021) emphasize that school heads must be diligent in evaluating the school budget, which is crucial for effective resource management and prioritizing school needs. Proper financial management is vital for the sustainable growth of any organization, aiding in identifying improvement areas, mitigating risks, ensuring compliance, and making informed decisions. Given the results, the institutionalization of a school evaluation system is the lowest among the ten indicators. To address this, schools should implement a systematic and ongoing effort to foster a culture of evaluation and continuous improvement by setting clear standards, training stakeholders, analyzing data, and using it to guide decision-making and communicate results.

**Table 6.** Summary of the assessment of the competence of school heads in financial management

| Area                  | Teachers                | Master Teachers         | School Heads            | Mean                    | Interpretation          |
|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 1. Planning           | 3.818                   | 3.564                   | 3.892                   | 3.756                   | Highly Competent        |
| 2. Prioritizing Needs | 3.779                   | 3.683                   | 3.916                   | 3.790                   | Highly Competent        |
| 3. Budgeting Funds    | 3.761                   | 3.627                   | 3.872                   | 3.750                   | Highly Competent        |
| 4. Monitoring         | 3.736                   | 3.671                   | 3.897                   | 3.769                   | Highly Competent        |
| 5. Evaluation         | 3.770                   | 3.624                   | 3.912                   | 3.768                   | Highly Competent        |
| <b>Mean</b>           | <b>3.773</b>            | <b>3.634</b>            | <b>3.898</b>            | <b>3.767</b>            | <b>3.768</b>            |
| <b>Interpretation</b> | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> | <b>Highly Competent</b> |

The One-way ANOVA test was employed to evaluate whether there were significant differences in the assessments of teachers, master teachers, and school heads regarding school heads' competence in financial management across various areas.

For planning, the computed F-value was 76.093, which exceeded the tabular F-value, indicating a significant difference among the groups. The assessments of teachers and school heads were notably higher than those of master teachers, with the former two groups' ratings approaching perfect scores. In contrast, the master teachers' ratings were closer to the cut-off boundary. Regarding prioritizing needs, the computed F-value was 5.2471, below the tabular F-value, suggesting no significant difference among the groups. Although the verbal assessments were consistent across the groups, the numerical values revealed that teachers and school heads rated this area higher than master teachers.

Regarding budgeting funds, the computed F-value was 1.3922, lower than the tabular F-value, indicating no significant difference in assessments among the groups. Teachers and school heads provided notably higher ratings than master teachers, with the former two groups' evaluations nearing perfect scores. For monitoring, the computed F-value was 28.2083, surpassing the tabular F-value, demonstrating a significant difference among the groups. Teachers and school heads had significantly higher assessments than master teachers, with the ratings from the former two groups approaching perfect scores.

In the evaluation area, the computed F-value was 70.4737, which exceeded the tabular F-value, revealing a significant difference among the groups. The data indicated higher assessments from teachers and school heads compared to master teachers, with teachers and school heads' ratings nearing perfect scores. While the verbal assessments were relatively similar across the groups, the numerical data demonstrated variations, with teachers and school heads consistently providing higher ratings than master teachers.

### 3.2 School Program Implementation

#### *In terms of Identification of Priority Improvement Areas*

As shown in Table 7, the overall weighted mean for teacher respondents was 3.754, categorized as Highly Competent. Master teacher respondents had an overall mean of 3.552, also interpreted as Highly Competent. In contrast, school head respondents had a higher overall weighted mean of 3.920 and were rated Highly Competent. This variable's combined overall weighted mean was 3.742, with an interpretation of Highly Competent.

**Table 7.** Descriptive statistics of the assessment on the level of program implementation in terms of identification of priority improvement areas

| Indicators                                                                                   | Teachers                 | Master Teachers          | School Heads             | Mean                     | Interpretation           |
|----------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. Organizes the school-community planning team                                              | 3.79                     | 3.50                     | 3.92                     | 3.74                     | Fully Implemented        |
| 2. Involve all the stakeholders in the school-community planning team                        | 3.81                     | 3.77                     | 3.92                     | 3.83                     | Fully Implemented        |
| 3. Posts the school's vision, mission, and goals                                             | 3.76                     | 3.60                     | 3.88                     | 3.75                     | Fully Implemented        |
| 4. Utilizes the root-cause analysis in the identification of priority improvement areas      | 3.67                     | 3.45                     | 3.92                     | 3.68                     | Fully Implemented        |
| 5. Crafts the three-year school improvement plan                                             | 3.78                     | 3.43                     | 3.92                     | 3.71                     | Fully Implemented        |
| 6. Posts the audited financial statement                                                     | 3.76                     | 3.53                     | 3.88                     | 3.72                     | Fully Implemented        |
| 7. Displays the transparency board                                                           | 3.67                     | 3.43                     | 3.96                     | 3.69                     | Fully Implemented        |
| 8. Disseminates issuances                                                                    | 3.78                     | 3.57                     | 3.92                     | 3.76                     | Fully Implemented        |
| 9. Conducts focal group discussions or meeting                                               | 3.79                     | 3.57                     | 3.96                     | 3.77                     | Fully Implemented        |
| 10. Analyze data from the last three school years to identify the priority improvement areas | 3.73                     | 3.67                     | 3.92                     | 3.77                     | Fully Implemented        |
| <b>Mean</b>                                                                                  | <b>3.75</b>              | <b>3.55</b>              | <b>3.92</b>              | <b>3.74</b>              | <b>3.74</b>              |
| <b>Interpretation</b>                                                                        | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> |

**Legend:** 0.01 – 1.75: Not Implemented; 1.76 – 2.50: Slightly Implemented; 2.51 – 3.25 Moderately Implemented; 3.26 – 4.00: Fully Implemented

According to DepEd Order No. 44, s. 2015, which outlines the Enhanced School Improvement Planning Process and the School Report Card, identifying priority improvement areas is crucial for school development. This involves conducting a root-cause analysis to uncover the underlying issues affecting the school's performance. The results suggest that school heads should analyze root causes to pinpoint and address the fundamental problems impeding school progress.

### *In terms of the Involvement of Internal And External Stakeholders*

As shown in Table 8, the overall weighted mean of 3.916, reflecting the involvement of internal and external stakeholders, is categorized as Highly Competent, demonstrating effective collaboration and shared responsibility among various school personnel. This finding aligns with the principles outlined in Republic Act 9155, or the Governance of Basic Education Act, which underscores the importance of shared governance in the educational system. The high level of competence observed among respondents indicates that school heads are successfully implementing the principles of shared governance by organizing clear structures and promoting collaborative leadership within their schools.

**Table 8.** Descriptive statistics of the assessment on the level of program implementation in terms of the involvement of internal and external stakeholders

| Indicators                                                                                                                                                      | Teachers                 | Master Teachers          | School Heads             | Mean                     | Interpretation           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. Organize a clear structure and work arrangements that promote shared leadership and governance                                                               | 3.77                     | 3.80                     | 3.88                     | 3.48                     | Fully Implemented        |
| 2. Facilitates communication between and among school, community leaders, and other stakeholders                                                                | 3.68                     | 3.31                     | 3.96                     | 3.55                     | Fully Implemented        |
| 3. Involve the stakeholders in decision-making                                                                                                                  | 3.74                     | 3.63                     | 3.88                     | 3.75                     | Fully Implemented        |
| 4. Formulate the methods and materials for developing creative thinking and problem-solving through a representative group of school and community stakeholders | 3.77                     | 3.57                     | 3.88                     | 3.76                     | Fully Implemented        |
| 5. Conduct regular meetings among stakeholders                                                                                                                  | 3.77                     | 3.57                     | 3.92                     | 3.75                     | Fully Implemented        |
| 6. Denes the roles and responsibilities of the stakeholders                                                                                                     | 3.68                     | 3.57                     | 3.88                     | 3.71                     | Fully Implemented        |
| 7. Organizes sub-groups among stakeholders                                                                                                                      | 3.67                     | 3.73                     | 3.96                     | 3.79                     | Fully Implemented        |
| 8. Involve the stakeholders in solving school-community-wide learning problems                                                                                  | 3.78                     | 3.37                     | 3.92                     | 3.69                     | Fully Implemented        |
| 9. Utilizes different media platforms to involve various stakeholders                                                                                           | 3.79                     | 3.60                     | 3.96                     | 3.78                     | Fully Implemented        |
| 10. Shows commitment and support to the school                                                                                                                  | 3.75                     | 3.73                     | 3.92                     | 3.80                     | Fully Implemented        |
| <b>Mean</b>                                                                                                                                                     | <b>3.74</b>              | <b>3.56</b>              | <b>3.92</b>              | <b>3.92</b>              | <b>3.78</b>              |
| <b>Interpretation</b>                                                                                                                                           | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> |

The study's results suggest that effective communication, role clarity, and shared decision-making are prioritized, as evidenced by the high ratings from teachers, master teachers, and school heads. This aligns with the study's objectives of assessing the competence of school heads in fostering an environment where all internal and external stakeholders are actively involved in school governance. By assigning tasks based on individual strengths and ensuring transparency and accountability in decision-making processes, school heads adhere to the governance principles critical for school improvement and performance. These findings highlight the importance of shared governance in achieving educational goals and suggest that the strategies implemented by school heads effectively promote a collaborative and accountable school environment.

### *In terms of Allocation and Utilization of Funds*

As shown in Table 9, the overall weighted mean of the three groups of respondents regarding allocating and utilizing funds is 3.752, thereby categorized as Highly Competent. The findings that the allocation and utilization of funds by school heads, as assessed by teachers, master teachers, and school heads, are fully implemented with high competence align with studies emphasizing the critical role of effective financial management in schools.

As Ramirez and Amponin (2019) noted, the efficient allocation of funds in public schools is essential for providing quality education and fostering student success. The judicious use of financial resources is essential for the successful implementation of educational programs, projects, and activities. This efficient management of funds ensures that schools can achieve their objectives while maintaining accountability and transparency within the institution.

**Table 9.** Descriptive statistics of the assessment on the level of program implementation in terms of allocation and utilization of funds

| Indicators                                                                                                                                                                                 | Teachers                 | Master Teachers          | School Heads             | Mean                     | Interpretation           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. Conducts collaborative and regular resource inventory as a basis for fund allocation mobilization                                                                                       | 3.77                     | 3.80                     | 3.92                     | 3.83                     | Fully Implemented        |
| 2. Holds a regular dialogue for planning and resource programming that is accessible and inclusive to stakeholders                                                                         | 3.81                     | 3.63                     | 3.92                     | 3.79                     | Fully Implemented        |
| 3. Establishes a community-developed monetary resource management system that dries appropriate behaviors of the stakeholders to ensure judicious, appropriate, and effective use of funds | 3.78                     | 3.70                     | 3.92                     | 3.80                     | Fully Implemented        |
| 4. Allocates sufficient funds for intended programs, projects, and activities                                                                                                              | 3.81                     | 3.53                     | 3.76                     | 3.70                     | Fully Implemented        |
| 5. Organize and present a yearly audited financial statement of stakeholders                                                                                                               | 3.66                     | 3.43                     | 3.76                     | 3.62                     | Fully Implemented        |
| 6. Prepares a yearly budget for programs, projects, and activities                                                                                                                         | 3.77                     | 3.57                     | 3.88                     | 3.74                     | Fully Implemented        |
| 7. Posts updated financial statements on the transparency board                                                                                                                            | 3.76                     | 3.50                     | 3.88                     | 3.71                     | Fully Implemented        |
| 8. Designates personnel in charge of fund disbursement                                                                                                                                     | 3.76                     | 3.63                     | 3.92                     | 3.76                     | Fully Implemented        |
| 9. Organizes committee for school fund                                                                                                                                                     | 3.82                     | 3.63                     | 3.88                     | 3.78                     | Fully Implemented        |
| 10. Has a check and balance mechanism in terms of allocation and utilization of funds                                                                                                      | 3.78                     | 3.67                     | 3.92                     | 3.79                     | Fully Implemented        |
| <b>Mean</b>                                                                                                                                                                                | <b>3.77</b>              | <b>3.63</b>              | <b>3.87</b>              | <b>3.75</b>              | <b>3.75</b>              |
| <b>Interpretation</b>                                                                                                                                                                      | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> | <b>Fully Implemented</b> |

### 3.3 Financial Issues and Challenges Encountered in Program Implementation

The collected data were analyzed using frequency and rank to determine whether the three respondent groups encountered the mentioned issues (see Table 10).

**Table 10.** Descriptive statistics of the financial issues and challenges encountered in program implementation

| Issues and Challenges                                                    | Teachers  |      | Master Teachers |      | School Heads |      |
|--------------------------------------------------------------------------|-----------|------|-----------------|------|--------------|------|
|                                                                          | Frequency | Rank | Frequency       | Rank | Frequency    | Rank |
| 1. Emergency expenditures caused by unforeseen circumstances             | 35        | 4    | 1               | 9.5  | 6            | 1    |
| 2. Underestimation/ over-estimation of budgeted expenses                 | 21        | 9    | 2               | 7    | 3            | 3.5  |
| 3. Communication gaps in budget utilization                              | 26        | 7    | 4               | 3    | 3            | 3.5  |
| 4. Failure to identify priority projects or activities                   | 25        | 8    | 2               | 7    | 2            | 7    |
| 5. Lack of transparency in reports                                       | 37        | 1    | 2               | 7    | 2            | 7    |
| 6. Budget insufficiency                                                  | 36        | 2.5  | 5               | 2    | 3            | 3.5  |
| 7. Time-consuming preparation of the budget plan                         | 19        | 10   | 1               | 9.5  | 1            | 9    |
| 8. Inconsistent cash flow issues                                         | 32        | 5    | 7               | 1    | 0            | 10   |
| 9. Delayed downloading of MOOE funds                                     | 28        | 6    | 3               | 4.5  | 3            | 3.5  |
| 10. Poor preparation of documentary requirements for financial reporting | 36        | 2.5  | 3               | 4.5  | 2            | 7    |

The findings showed that 37 teacher respondents identified issue 5 (lack of transparency in reports) as the most pressing concern. Issue number 6 (budget insufficiency) and poor preparation of financial reporting documents were highlighted by 36 respondents, placing them in the same 2.5 rank. Emergency expenditures due to unforeseen circumstances ranked 4th with 35 responses, followed by inconsistent cash flow issues, which ranked 5th with 32 teachers. The delayed downloading of MOOE funds ranked 6th with 28 responses, and communication gaps in budget utilization ranked 7th with 26 responses. The failure to identify priority projects or activities ranked 8th with 25 responses, while underestimation/overestimation of budgeted expenses ranked 9th with 21 responses. The least pressing issue was the time-consuming budget plan preparation, cited by 19 teachers.

Among the 30 master teachers, the most significant issue was inconsistent cash flow, as reported by 7 respondents. Budget insufficiency ranked 2nd with 5 responses, while communication gaps in budget utilization ranked 3rd with 4 responses. The delayed downloading of MOOE funds and poor preparation of financial reporting documents shared the 4.5 rank, with 3 responses each. Several issues, including under/overestimation of budget expenses, failure to identify priority projects, and lack of transparency in reports, all ranked 7th with 2 responses each. The least pressing concerns, ranked 9.5, were emergency expenditures and the time-consuming budget preparation, each with 1 response.

For the 25 school heads, emergency expenditures ranked 1st with 6 responses. Several issues, including under/overestimation of budget expenses, communication gaps, time-consuming budget preparation, delayed downloading of MOOE funds, and budget insufficiency, tied for 3.5 rank with 3 responses each. The failure to identify priority projects, lack of transparency, and poor preparation of financial reports ranked 7th with 2 responses each. Inconsistent cash flow was the least concerning, with no responses from the school heads. To address financial management challenges, Chrisantous (2013) identified school fund shortages as a major concern, recommending capacity-building programs, in-service training, workshops, and seminars to enhance school heads' financial management skills.

### 3.4 Solutions to Financial Issues and Challenges Encountered in Program Implementation

The findings of the different ways to address the financial issues and challenges reveal that budgeting and budget planning is a collaborative effort between all members of the school which requires the active movement of everyone concerned to have a clear understanding of their needs. Therefore, a school's financial management is crucial to address the identified issues and challenges. These findings are similar to the findings obtained by Leigh (2019) in his study Managing School nance in Times of Budgetary Pressures and Uncertainty wherein he mentioned that managing school funds should be one of the priorities of a school leader and that mismanagement of school funds may lead to pressure and challenges.

**Table 11.** Solutions to identified financial issues and challenges encountered in program implementation

| Indicators                                                                                                                                                                                                                 | Teachers | Master Teachers | School Heads | Verbal Interpretation |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------------|--------------|-----------------------|
| 1. Has alternative budgeting contingency plans just in case an unfavorable financial-related problem arises                                                                                                                | 3.30     | 3.59            | 3.45         | Very Effective        |
| 2. Keep budgeting and its allocation flexible to avoid instances of under-estimation and over-estimation when it comes to budgeting                                                                                        | 3.08     | 3.12            | 3.03         | Very Effective        |
| 3. Keeps an open line of communication with all departments to help minimize financial issues and ensure alignment between the school's operational and organizational strategies in addressing financial-related concerns | 3.02     | 3.20            | 3.12         | Very Effective        |
| 4. Conduct a need assessment to identify the budget priorities, which will be a great help in budget planning and utilization                                                                                              | 3.02     | 3.04            | 3.11         | Very Effective        |
| 5. Prepare a comprehensive and updated transparency board to visually represent the program implementation procedures, projects, and activities.                                                                           | 3.07     | 3.12            | 3.15         | Very Effective        |
| 6. Maintains a clear priority-based evaluation framework as it helps in establishing concrete targets and priorities                                                                                                       | 3.21     | 3.08            | 3.21         | Very Effective        |
| 7. Considers the amount of time being consumed in the development of the budget plan and promotes collaboration in preparing the documentary requirements                                                                  | 3.10     | 3.15            | 3.13         | Very Effective        |
| 8. Keeps updated rolling forecasts and budgets based on the present results                                                                                                                                                | 3.10     | 3.12            | 3.09         | Very Effective        |
| 9. Organize a flexible MOOE budget plan that will address various financial scenarios that may arise                                                                                                                       | 3.04     | 3.11            | 3.21         | Very Effective        |
| 10. Develop a clear understanding of what drives the budget plan so that the document for financial reporting is organized.                                                                                                | 3.08     | 3.12            | 3.15         | Very Effective        |

**Legend:** 0.01 – 1.75: Not Effective; 1.76 – 2.50: Slightly Effective; 2.51 – 3.25 Effective; 3.26 – 4.00: Very Effective

## 4.0 Conclusion

School leaders are responsible for managing financial resources effectively and efficiently. Budgeting skills and knowledge are essential to ensure effective allocation of funds based on assessed needs. To develop good budgeting skills, the first step is to understand the context and purpose of your budget. School heads should schedule budgeting meetings, gather past nances, form financial objectives, create budgeting strategies, create a preliminary budget, and review it. Then, look for other possible budget sources. Revise it if needed and approve it. Lastly, produce a budgetary report. As stated in the National Adoption and Implementation of the Professional Standards for School Heads, the school heads are expected to reflect on and assess their practice. Part of their role is to consistently display an in-depth knowledge and understanding of the authority, responsibility, and accountability expected of them. In the results presented, the most critical concern faced by public school heads is budget insufficiency. Therefore, it is recommended that the computation and calculation of MOOE components for allocation to each school be revised. One of the disadvantages of schools under the small school category is that their MOOE is not as competitive as other schools' progress and development at times left behind by big schools.

## 5.0 Contributions of Authors

The author contributed to the research through conceptualization, study design, data collection, and analysis. The author wrote and edited the manuscript, ensuring clarity and coherence. To uphold methodological rigor, the author consistently monitored the research process. Additionally, the author proposed policy recommendations based on the findings, aiming to enhance the competence of school heads in financial management.

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