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A Systematic Literature Review of Efficient Management of Financial Resources in Secondary Schools in the Philippines

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Abstract*: Correct financial management plays a key role in the success of curriculum implementation in schools, especially in public secondary schools where there may be insufficient funds and high standards for quality education. They are expected to manage budget planning, buying, budget reporting, and adherence to Department of Education (DepEd) regulations, particularly the judicious use of Maintenance and Other Operating Expenses (MOOE) funds. All these responsibilities require a good knowledge of financial systems and policies. Administrators with good financial abilities are in a better position to utilize resources more effectively to enhance school improvement plans, which enhances the operation of the school and the quality of education. It should be remembered that effective resource management in high schools does not only entail efficient management of money. Effective usage of teachers, learning materials, buildings, and time is also involved. School administrators should integrate these aspects to provide a good learning environment. With more students' enrollment, curriculum reforms, and unequal funding by local governments, the role that school administrators play in making the best use of resources is very significant. Therefore, enhancing the financial literacy of school administrators through ongoing training, institutional support, and effective policies is required to enable fairness, transparency, and quality in the Philippines' basic education system.*

Keywords: *Financial Management , Secondary Education, MOOE Management, School Budgeting, Leadership*

Introduction

Providing efficient financial resources management in secondary schools is one of the determinants of quality education, especially in public secondary schools facing limited budgets. As per the established guidelines in the Philippine education system, the Department of Education (DepEd) delegates the responsibility for the planning, allocation, and reporting of financial resources — Maintenance and Other Operating Expenses (MOOE) — to school administrators. Such duties necessitate that school administrators possess sound financial competencies to assure accountability, transparency, and optimal utilization of resources (DepEd Order No. 8, s. 2019). School heads now enjoy greater autonomy under the Basic Education Sector Reform Agenda (BESRA), further underscoring the need for effective financial management. Decentralizing financial needs was implemented to enhance decentralization of behavior and decision-making on local and school levels (Galigao et al., 2019). But other than that, there is very little success concerning uniform policy implementation and service delivery, as administrators have different levels of financial acumen. This systematic literature review seeks to harmonize existing literature on financial resource management, decipher the key competencies of school administrators, highlight common challenges, and recommend strategic improvements. This narrative review is limited to peer-reviewed studies and relevant government policy documents published over the past 10 years and to case-based educational research.

Method

Search Strategy

We performed a systematic search across various academic databases, including Google Scholar, ERIC, JSTOR, and Philippine e-journals, for key terms relevant to the study, such as “financial management in Philippine schools,” “secondary education finance Philippines,” “MOOE management,” and “school budgeting and leadership.”

Inclusion and Exclusion Criteria

Inclusion criteria: Peer-reviewed articles, theses, DepEd reports, and relevant books (2010 to 2024) related to the topic of financial management practices of public secondary schools in the Philippines

Excluded**:** Studies of higher education, elementary schools, or school management, specifically of non-financial aspects.

Extraction and Analysis of Data

From an initial sample of 52 sources, 9 satisfied the inclusion criteria. Data were extracted by themes: budget planning, resource allocation, financial reporting, transparency and accountability, and capacity building. We conducted a thematic synthesis to identify the patterns and make sense of the insights.

Results

Budgeting and Fund Allocation

Research consistently shows the value in engaging stakeholders during school budget processes. Based on DepEd Order No. 8, s. In 2019, schools are supported to prepare a School Improvement Plan (SIP) and Annual Implementation Plan (AIP), which shall serve as the basis for budget allocation. Schools that align their budget with the SIP are more likely to utilize resources effectively and have better educational outcomes (Hernandez, 2024).

Financial statement and another report

The use of transparent and legitimate financial reports is one of the essential components of efficient financial management. It has been found that well-functioning financial control systems of schools reduce wastage and corruption (Palma,2018). Best practices often include the establishment of a School Governing Council (SGC) or finance committee to oversee expenditures.

School Heads and Competency

The financial literacy of school administrators has a great impact on how resources are managed (Galigao et al. 2019), emphasizing that many principals have no formal training on matters of finance and budgetary matters, instead deferring to past performances or the offices of the division (Espiritu, 2020), continues this discussion, making a compelling argument that a significant number of principals have not had any formal professional preparation in the areas of finance and budget management but rather gathered their knowledge through experience or internal advice. According to Hernandez (2024), budgets, inventory management, and financial decision-making all improve when administrators have attended financial seminars.

Challenges Associated with Fund Utilization

The literature indicates several challenges, such as delayed release of funds, stringent rules on procurement and standard operating procedures, as well as over-dependence on MOOE while leaving other sources of income unutilized. According to Usman (2016), inefficiency in the use of funds is associated with poorly developed internal control systems. In addition, schools located in rural or remote areas encounter logistical challenges that hinder the timely implementation of funding.

Best Practices and Innovations

Income-generating projects (IGPs) like "Gulayan sa Paaralan" (school gardening), rental of facilities, and local partnerships are mentioned as successful measures for augmenting school budgets (Amos & Koda, 2018). Technology is also used by some schools, such as using spreadsheets or basic financial software, to automate tracking and reporting.

Table 1. *Emerging Themes and Findings*

Theme/Concept	Findings	Key Sources
Budgeting and Fund Allocation	Stakeholder engagement is crucial in the budget process. The SIP and AIP guide the allocation of funds. Aligning budgets with SIP improves resource use and outcomes.	DepEd Order No. 8, s. 2019; Hernandez (2024)
Financial Statement and Reporting	Transparent financial reporting is essential. Effective financial control systems reduce wastage and corruption. Establishing SGCs or finance committees is a best practice.	Palma (2018)
School Heads' Capacity and Competency	Many school heads lack formal financial training and rely on experience or division offices. Financial seminars improve budgeting and decision-making skills.	Galigao et al. (2019); Espiritu (2020); Hernandez (2024)
Challenges in Fund Utilization	Issues include delays in fund release, complex procurement rules, and over-reliance on MOOE. Rural schools face logistical problems. Weak internal controls reduce fund efficiency.	Usman (2016)
Best Practices and Innovations	Income-generating projects and local partnerships support budgets. Schools also use simple tech tools (e.g., spreadsheets) for tracking and reporting.	Amos & Koda (2018)

The table shows the important findings across various resource management concepts in the school setting and their key source studies. It highlights the need for stakeholder participation in budgeting, the function of the SIP and AIP in fund distribution, and the need for directness and efficient financial controls. It also shows the lack of financial training among school leaders, typical problems like delays and procurement concerns, and the use of best practices, including income-generating projects, local partnerships, and simple digital tools to enhance financial management.

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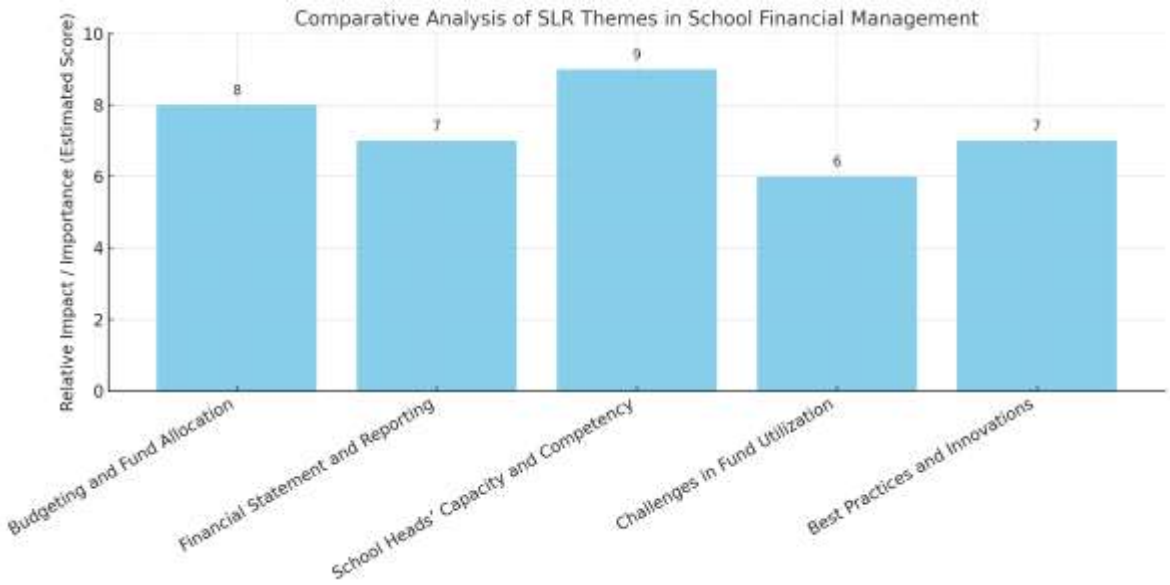
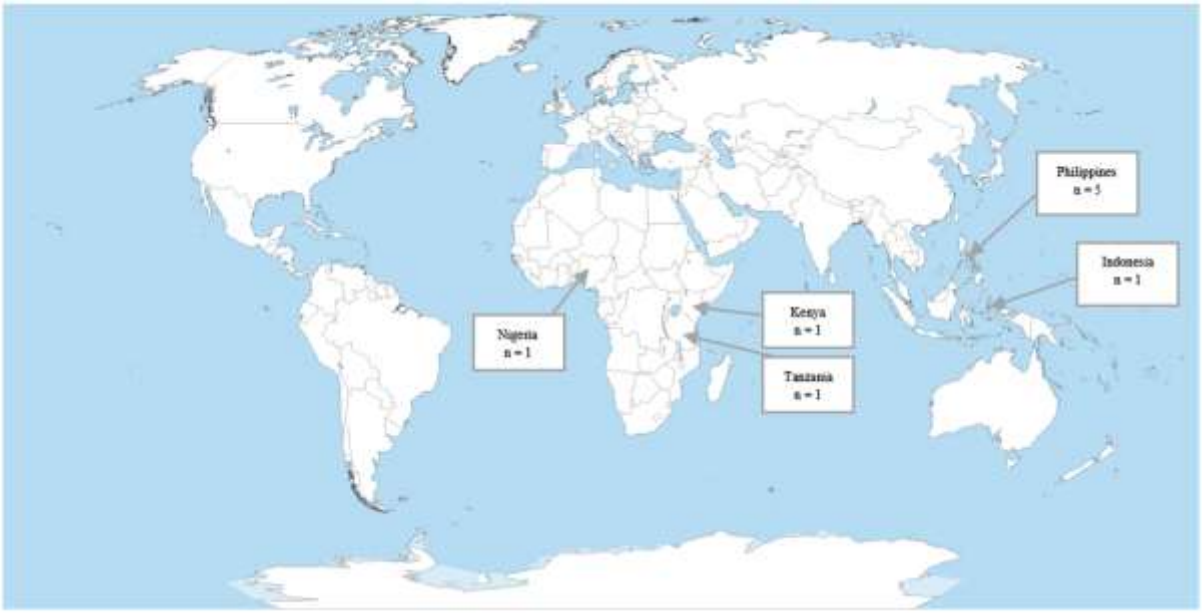
***Figure 1**: Comparisons of the results findings*



The figure presents a comparative analysis of key themes/concepts in school financial management based on their relative impact/ importance. Among the five (5) concepts, "School Heads' Capacity and Competency" takes the highest score of 9, followed by "Budgeting and Fund Allocation" (8), "Financial Statement and Reporting" (7), and "Best Practices and Innovation" (7). While Challenges in Fund Utilization" ranks the lowest score of 6.

***Figure 2:** Origin of the Included Studies*



The figure shows a summary of the sources categorized by their respective nation of origin. The Philippines contributes the majority of the studies and other related references. On the other hand, various countries like Kenya, Nigeria, Tanzania, and Indonesia each provide one source focused on various aspects of school resource management and administration.

Discussion

This review reiterates the knowledge that sound financial management of resources is at the core of excellence and education equity (Dones et al., 2023; Amos & Koda, 2018). Filipino secondary school administrators are required to balance their managerial and instructional duties while ensuring that money is used wisely to enhance learning environments (Estremera, 2021; Galigao et

al. 2019). Financial mismanagement, whether careless, can erode student services and trust from the community. While the DepEd has offered concrete frameworks in terms of orders and manuals, the gap in implementation is mainly rooted in variations of individual capacity and institutional support (Estremera, 2019; Hernandez, 2024). Increased emphasis on capacity-building, particularly in low-coverage areas, is needed to bridge the gap. Mentorship, peer learning, and online training modules are some of the possible interventions. In the future, policies need to change to facilitate more school-level autonomy combined with performance-based appraisals. This gives administrators the autonomy to innovate while being held accountable for results. In addition, the inclusion of financial management topics in school leadership preparation programs can professionalize the school head's role in this regard.

Conclusion

Good financial management in the Philippines' Secondary schools is a multifaceted problem calling for effective leadership, systemic aid, and stakeholder involvement. As the literature review indicates, schools that strategically plan their budgets, transparently report, and involve their communities are more likely to deliver quality education despite economic hardships. Enhancing the financial capabilities of school leaders and internalizing best practices within schools will be critical in achieving the nation's education targets.

Given these findings, international school heads can gain important insights from what the Philippines' Secondary schools experience. The focus on transparent reporting, community involvement, and capacity building for school leaders draws a model that can be adapted in various educational contexts. By improving financial literacy among school heads, instilling an accountability system into school operations can strengthen their financial management and stewardship. These practices could help to create a fairer and sustainable education system all around the globe.

Recommendations

As per the results, improving financial resource management in Philippine secondary schools depends first on increasing the financial literacy of school administrators by utilizing consistent training on budgeting, fund use, and reporting, equipping them to make wise financial choices. Schools have to improve internal financial controls by creating clear monitoring agencies, like finance committees or School Governing Councils, to track spending and maintain responsibility. To handle delays and implementation challenges, third, the government should simplify the distribution of funds and offer focused assistance, particularly to remote or underfunded schools. Finally, encouraging creative ideas like income-generating projects, using basic financial technologies, and actively including the community in budgeting activities will greatly enhance openness, sustainability, and educational outcomes.

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