



American Journal of Education and Technology (AJET)

ISSN: 2832-9481 (ONLINE)

Volume 3 Issue 3 (2024)



PUBLISHED BY
E-PALLI PUBLISHERS, DELAWARE, USA

Optimizing Resource Management: Examining MOOE Allocation Utilization for Annual Improvement Plan (AIP)

Joel P. Longaquit*

Article Information

Received: July 02, 2024

Accepted: August 07, 2024

Published: August 09, 2024

Keywords

Resource Management, Maintenance and Other Operating Expenses (MOOE), Annual Improvement Plan (AIP), School Budget Allocation, Educational Outcomes

ABSTRACT

The study investigated within educational institutions, specifically focusing on the allocation and utilization of Maintenance and Other Operating Expenses (MOOE) for the Annual Improvement Plan (AIP). Through a quantitative approach, it explored how MOOE funds were allocated and employed to bolster AIP initiatives, aiming to enhance student performance and academic endeavors. Findings emphasized the consistent alignment of MOOE utilization with AIP guidelines, reflecting a robust commitment to strategic resource allocation. Moreover, the study revealed a notable positive correlation between MOOE utilization and budget allocation for school expenses, highlighting the importance of synchronized financial decisions in optimizing resource distribution. School heads exhibited strong confidence in the efficient utilization of MOOE funds, emphasizing the pivotal role of strategic allocation practices in advancing school operations and educational goals. Future research avenues should explore additional factors influencing MOOE utilization and its long-term impact on educational outcomes, offering insights to inform resource allocation strategies and foster continuous improvement within educational institutions.

INTRODUCTION

In promoting and reinforcing school-based management and accountability, the school budget allocation emerges as one of the most vital tools (Abellon *et al.*, 2020; DepEd Order No. 008 s., 2019). It emphasizes the collaborative effort between school heads and budget officers in carefully planning and executing the utilization of fund allocations aligned with the Annual Improvement Plan (AIP). This entails addressing various dimensions of prioritization, including utility, training, security, travel expenses, communication, repairs and maintenance, and other expenditures (Dela Cruz *et al.*, 2016).

The Department of Education is strongly committed to supporting schools, school heads, teachers, and students by increasing the availability of educational resources and enhancing resource management to improve teaching-learning processes and services (DepEd Order No. 013 s., 2016; Al-Samarrai, 2016). Anderson (2005) and Argon (2015) emphasizes that financial management reforms that transfer responsibility and accountability to school heads and administrative staff for proper management of school funds under MOOE. This includes developing school facilities and other necessities to support learning, ensuring a safe, healthy, and conducive environment for students and teachers.

The primary objective of allocating Maintenance and Other Operating Expenses (MOOE) funds is to support programs and projects outlined in the Annual Improvement Plan (AIP). These funds cater to various expenses related to the school premises, including utilities, security, training for both teaching and non-

teaching staff, travel, supplies, maintenance, repair, and other essential services within the school. This allocation process, as outlined in Department of Education Order No. 13, series of 2016, is deliberately designed to enhance student performance and facilitate academic pursuits, aligning with the developmental and sustainability goals for both teachers and students in the teaching and learning process.

According to a study by Abellon *et al.* (2020), Schools Division Offices (SDOs) have the authority to pre-allocate MOOE funds to individual schools, particularly those that are not fiscally autonomous. This preemptive allocation enables schools to effectively plan their budgets within the framework of government accounting and auditing regulations. The study emphasizes the importance of adhering to DepEd Order No. 013, s. 2016, which mandates that schools furnish monthly liquidation reports to the SDO for monitoring purposes. These reports must comply with government accounting and auditing standards.

Several critical gaps and challenges have been identified, including the lack of clarity in prioritization, insufficient accountability mechanisms, limited evaluation of effectiveness, and potential challenges in the implementation of MOOE allocations. Addressing these issues is crucial to ensure efficient and effective allocation of resources to support the goals outlined in the Annual Improvement Plan (AIP) and enhance the teaching and learning processes within educational institutions.

Thus, the purpose of the study was to investigate the optimization of resource management, specifically

¹ La Paz District, Division of Agusan del Sur, Department of Education, Philippines

* Corresponding author's e-mail: joellongaquit@deped.gov.ph

focusing on the allocation and utilization of Maintenance and Other Operating Expenses (MOOE) for the Annual Improvement Plan (AIP) within educational institutions. The study aimed to assess how MOOE funds were allocated and utilized to support programs and projects outlined in the AIP, with the goal of enhancing student performance and facilitating academic endeavors.

LITERATURE REVIEW

The Department of Education (DepEd) places significant responsibility on top management employees, such as school heads and principals, to effectively manage and allocate budgets for enhancement training using Maintenance and Other Operating Expenses (MOOE) funds (DepEd Order No. 60, s., 2016). This strategic implementation aims to address challenges faced by teachers and ensure their continuous professional development, as highlighted by Barasa (2019). It emphasizes the crucial role of principals in ensuring the feasibility and inclusion of all plans and programs outlined in the Annual Improvement Plan (AIP) within the MOOE budget (DepEd Order No. 60, s., 2016). As emphasized by Sakwa (2013), the competency of school heads in financial management is essential for achieving educational goals and objectives.

Furthermore, the involvement of all stakeholders in planning and utilizing the MOOE budget is emphasized to foster transparency and ethical practices, ultimately contributing to the attainment of educational objectives (Mercado, 2022). The Department of Education prioritizes transparency and accountability in financial management, urging school financial managers to strengthen these principles throughout the department (Ochada *et al.*, 2018). This involves effective planning, ideal budget preparation, and smart execution of programs and projects, as well as consistent monitoring processes to ensure quality and timeliness of financial reporting.

The study conducted by Subia (2020) highlights the importance of understanding the budget allocation process and the challenges faced by School Heads in utilizing Maintenance and Other Operating Expenses (MOOE) funding to achieve the goals outlined in the Annual Improvement Plan (AIP). This understanding is particularly crucial for non-fiscally autonomous Senior High Schools in the Division of Nueva Ecija. It posits the significance of effective resource management and the need to optimize the utilization of MOOE funds to support educational objectives. The study aimed to provide insights for enhancing resource allocation practices across all educational institutions.

The current landscape of budgeting and financial management within educational institutions presents significant challenges, particularly regarding the competence of principals in navigating the complexities of school budgets. Maestry (2006) highlights a pervasive lack of proper training among principals, leading to difficulties in implementing and overseeing school

budgets effectively. Consequently, instances of financial mismanagement, including misappropriation, fraud, and inadequate control of financial records, have become prevalent, prompting investigations by educational authorities.

Moreover, the advent of School-Based Management (SBM) policies has brought about notable shifts in the dynamics of school governance. Ochada & Gempes (2018) observe that SBM initiatives have engendered increased parental involvement and altered the behavior of teachers within school settings. However, the success of such policies hinges on the clarity and understanding of school budget features and functions among stakeholders.

Concerns extend beyond mere mismanagement to encompass more insidious forms of corruption within the education sector. Tulo (2016) emphasizes the detrimental impact of academic fraud on the integrity and reliability of educational certification, particularly in higher education settings. Distorting behaviors in procurement processes, such as for school buildings and maintenance, further exacerbate governance challenges within the sector. Efforts to address corruption and improve governance in education systems necessitate multifaceted approaches.

The study of Waters (2016) emphasizes the importance of fostering ethical education to instill values that question corruption. However, systemic reforms, including the establishment of transparent regulatory frameworks and the enhancement of management capacities, are indispensable. Olmedo (2016) stresses the need for clear norms and regulations, alongside robust management skills and access to information for stakeholders at all levels.

Furthermore, capacity-building initiatives must extend beyond administrative staff to include broader stakeholders such as Parent-Teacher Associations and civil society organizations. Manasan (2011) advocates for informed participation at the grassroots level to detect and prevent fraud effectively. In addressing the challenges associated with budgeting and financial management in education requires a comprehensive and coordinated effort. From enhancing managerial capacities to fostering ethical education and promoting transparency, combating corruption demands a concerted approach aimed at building a governance framework that ensures accountability, efficiency, and equity within educational institutions.

The educational landscape grapples with challenges in budgeting and financial management, with the Department of Education (DepEd) assigning significant responsibility to top management employees, notably school heads and principals, in effectively utilizing Maintenance and Other Operating Expenses (MOOE) funds. This strategic approach aims to address teachers' challenges, ensuring their continuous professional development and aligning with educational goals and objectives. However, pervasive deficiencies in principals' financial management

competencies have led to instances of mismanagement, prompting investigations by educational authorities. Despite efforts to promote transparency and accountability in financial management, including stakeholder involvement and consistent monitoring processes, the implementation of School-Based Management (SBM) policies has revealed gaps in understanding school budget features and functions among stakeholders. Addressing these challenges necessitates a comprehensive approach, encompassing ethical education, transparent regulatory frameworks, enhanced management capacities, and stakeholder engagement at all levels. By fostering a governance framework that ensures accountability, efficiency, and equity, educational institutions can better navigate the complexities of budgeting and financial management to support their overarching goals effectively.

Research Questions

1. What is the utilization of Maintenance and Other Operating Expenses (MOOE) based on the Annual Improvement Plan?
2. What is the budget allocation of MOOE pertaining to school expenses, in terms of:
 - 2.1 utility expenses,
 - 2.2 security and maintenance services expenses,
 - 2.3 training expenses,
 - 2.4 travel expenses,
 - 2.5 supply expenses,
 - 2.6 repairs and maintenance, and
 - 2.7 other expenses?
3. Is there a significant relationship between the utilization of MOOE based on the Annual Improvement Plan and the Budget Allocation based on school expenses?
4. What are the perceptions of school heads regarding the utilization of MOOE allocations?

METHODOLOGY

Research Design

This study adopted a purely quantitative approach, as defined by Calderon (2006), involving the systematic gathering, analyzing, classifying, and tabulating of data concerning prevailing conditions, practices, processes, trends, and cause-effect relationships. Quantitative research aimed to provide factual descriptions of group characteristics by collecting and analyzing numerical data, identifying patterns, and generalizing results to broader populations (Bhandari, 2021). Quantitative data for this study were collected through surveys distributed to school heads within the target population. The research employed a descriptive-correlational design to investigate the relationship between the utilization of Maintenance and Other Operating Expenses (MOOE) based on the Annual Improvement Plan and the budget allocation for school expenses. The survey questionnaire utilized a 5-point Likert scale to gather responses, generating numerical data that were averaged to describe respondents' perceptions and attitudes.

Research Respondents

The study's respondents were 23 public school heads in the La Paz District within the schools division of Agusan del Sur. The researcher used a complete enumeration sampling method, including all school heads from both elementary and secondary schools in La Paz as respondents in the study.

Research Instrument and Gathering Procedure

The research instrument for this study consisted of three parts. The first part was a survey questionnaire addressing the utilization of MOOE based on the Annual Improvement Plan (AIP). The second part focused on the budget allocation of MOOE for school expenses, encompassing utilities, security, maintenance services, training, travel, supplies, repairs, and other expenses. The third part explored the respondents' perceptions regarding the utilization of MOOE allocations. The survey questionnaire was adapted from a previous study by Abellon *et al.* (2020) and modified to align with the study's objectives. It underwent validity testing, with Cronbach's alpha used to assess reliability.

The researcher formally requested permission from the Schools Division Superintendent (SDS) in Agusan del Sur division to conduct the study and gather data from school heads within the La Paz district. Letters were also sent to the division research coordinator and research committee. Emphasis was placed on the potential benefits of the study to both the districts and the school heads involved, as well as the division. The findings served as the foundation for developing an intervention program aligned with the study's objectives. Respondents in the research project were fully informed of its purpose and goals, with assurances of strict confidentiality regarding their identities.

Statistical Treatment

The data collected from the survey were analyzed using IBM SPSS (Statistical Package for the Social Sciences), a statistical software program designed to interpret and process study data. To ensure the reliability of the results, the researcher also employed Microsoft Excel and Social Science Statistics as additional validation tools. These software programs were utilized to cross-verify outcomes generated by IBM SPSS, enhancing the credibility of the findings. The analysis utilized a range of statistical tools to facilitate data interpretation. The weighted mean was utilized to assess the level of utilization of Maintenance and Other Operating Expenses (MOOE) in alignment with the Annual Improvement Plan, as well as the budget allocation of MOOE for school expenses, and the perceptions of school heads regarding the utilization of MOOE allocations, involving averaging responses provided by school heads to gauge their perspectives. Pearson Product Moment Correlation Coefficient analysis was employed to determine whether a significant relationship existed between the utilization of MOOE

based on the Annual Improvement Plan and the budget allocation based on school expenses, helping to establish any correlations between these variables and providing insights into their interdependence.

Ethical Considerations

According to Bryman and Bell (2007), principles related to research ethical considerations include ensuring that research participants are not subjected to any harm, respecting their dignity, attaining full consent, protecting their privacy, maintaining confidentiality and anonymity, avoiding deception and exaggeration about the aims and objectives, declaring affiliations, sources of funding, and conflicts of interest, and ensuring honest and transparent communication. The data collection procedure for the current investigation followed these standard principles for ethical considerations in research. The respondents who participated in the study were informed of the main goals and objectives of the study, with assurances that their identities would be secured with the utmost

confidentiality. Hence, the researcher removed the data collected solely for the purpose of the present study's investigation.

RESULTS AND DISCUSSION

The Utilization of Maintenance and Other Operating Expenses (MOOE) Based on the Annual Improvement Plan

Table 1 presented the utilization of Maintenance and Other Operating Expenses (MOOE) based on the Annual Improvement Plan (AIP). The overall mean of 4.48 indicated that these expenses were implemented very frequently, according to the perspectives of the school heads. This high overall mean score suggested that the school heads consistently applied the AIP guidelines in their utilization of MOOE, reflecting a strong adherence to the plan's directives. This frequent implementation emphasized the importance placed on the AIP in guiding financial decisions and ensuring that MOOE funds were used effectively to support school operations and improvements.

Table 1: Utilization of Maintenance and Other Operating Expenses (MOOE) Based on the Annual Improvement Plan (AIP)

Indicators	Mean	Verbal Interpretation
1. Procure school supplies and other consumables for teachers and students deemed necessary in the conduct of classes.	4.87	Always Implemented
2. Pay for reproduction of teacher-made activity sheets or exercises downloaded from the Learning Resource Management and Development System (LRMDS)	4.00	Very Frequently Implemented
3. Fund minor repairs of facilities, building and grounds maintenance, and upkeep of school.	4.87	Always Implemented
4. Fund rental and minor repairs of tools and equipment deemed necessary for the conduct of teaching and learning activities.	4.13	Very Frequently Implemented
5. Pay for wages of full-time janitorial, transportation and mobility, and security services.	4.00	Very Frequently Implemented
6. Pay for school utilities (electricity and water) and communication (telephone and Internet connectivity) expenses.	4.70	Always Implemented
7. Support expenses for school-based training and activities selected or designed to improve learning outcomes, such as but not limited to, Learning Action Cells (LAC) and Continuous Improvement (CI) sessions.	4.22	Very Frequently Implemented
8. Support special curricular programs (e.g. advocacy, assessment, capacity building, learning environment, learners' development, and research).	4.26	Very Frequently Implemented
9. Fund activities as identified in the approved School Improvement Plan (SIP) for Implementation in the current year and as specifically determined in the Annual Improvement Plan (AIP) of the school.	4.87	Always Implemented
10. Finance expenses pertaining to graduation rites, moving up or closing ceremonies and recognition activities.	4.91	Always Implemented
Overall Mean	4.48	Very Frequently Implemented

Legend: 1.00-1.49, *Never*; 1.50-2.49, *Sometimes*; 2.50-3.49, *Often*; 3.50-4.49, *Very Frequently*; 4.50-5.00, *Always*

More so, Table 1 presented the utilization of Maintenance and Other Operating Expenses (MOOE) based on the Annual Improvement Plan (AIP). The highest mean of 4.91 was observed for financing expenses pertaining to graduation rites, moving up or closing ceremonies,

and recognition activities, indicating these were always implemented. This was closely followed by three indicators, each with a mean of 4.87, showing that procuring school supplies, funding minor repairs of facilities, and funding activities identified in the School Improvement Plan (SIP)

were always implemented. Paying for school utilities had a mean of 4.70, also indicating it was always implemented. The remaining indicators, including supporting special curricular programs (4.26), supporting school-based training (4.22), funding rental and minor repairs of tools (4.13), paying for wages of janitorial and security services (4.00), and paying for reproduction of teacher-made materials (4.00), were all very frequently implemented. The overall mean of 4.48 signifies that, on average, the MOOE activities were very frequently implemented. These findings imply a strong adherence to the AIP, ensuring essential school operations and improvements are consistently funded, thereby enhancing the educational environment, and supporting both teaching and learning activities effectively.

The high frequency of MOOE utilization in essential areas aligns with the findings of Matulac and Moyani (2024), who emphasized the critical role of consistent funding for school operations in enhancing educational quality. Their study found that schools with well-managed operational expenses showed significant improvements in both teaching effectiveness and student performance. This supports the current findings, where the strong adherence to AIP guidelines and frequent implementation of MOOE activities have likely contributed to a better educational environment. By ensuring that basic needs such as supplies, utilities, and minor repairs are consistently met, schools can create a stable and conducive atmosphere for learning.

Cruickshank and Kohtz (2024) further support these findings by highlighting the impact of financial management on school sustainability. Their research indicated that schools with a structured approach to budget allocation, particularly in funding essential services and activities, were more successful in achieving long-term educational goals. The current study's findings, where MOOE activities were very frequently implemented, suggest that the schools in question are likely benefiting from similar structured financial management practices. This structured approach not only meets immediate operational needs but also fosters an environment that supports continuous improvement and development, as observed in the consistent support for curricular programs and school-based training.

Similarly, Gomaa (2023) and Debuque-Gonzales *et al.* (2023) found that effective utilization of operational funds is crucial for school development. Gomaa (2023) noted that schools that prioritize funding for essential services, such as maintenance and educational materials, create a more engaging and productive learning environment. This is in line with the current

study's findings, where high mean scores for procuring supplies and funding minor repairs indicate a focus on maintaining a well-equipped and functional school environment. Additionally, Debuque-Gonzales *et al.* (2023) emphasized the importance of transparency and adherence to improvement plans, which is reflected in the consistent implementation of MOOE activities based on the AIP in the current study. This adherence ensures that resources are used effectively, maximizing their impact on educational outcomes.

The relevance of these findings is also supported by earlier studies such as those by Abellon *et al.* (2020) and Diokno-Sicat *et al.* (2020). Abellon *et al.* (2020) highlighted the significance of proper financial management in achieving educational objectives, noting that schools with robust funding mechanisms for essential services and activities tend to perform better academically. This aligns with the current study's observation of high-frequency implementation of MOOE activities, suggesting that these practices contribute to improved educational performance. Diokno-Sicat *et al.* (2020) also emphasized the role of financial resources in supporting school improvements and ensuring the successful implementation of school plans. The current findings, demonstrating consistent and frequent funding of critical school operations and activities, reflect this understanding, indicating that proper utilization of MOOE is vital for sustaining school development and achieving educational success.

Budget Allocation of Maintenance and Other Operating Expenses (MOOE) Concerns Various School Expenses, Specifically Focusing on Utility Expenses, Security and Maintenance Services Expenses, Training Expenses, Travel Expenses, Supply Expenses, Repairs and Maintenance, and Other Expenses

Table 2 showed the allocation of Maintenance and Other Operating Expenses (MOOE) for school expenses, including utility, security, training, travel, supply, repairs, and maintenance. The mean of 3.78 indicated frequent allocation and prioritization of these expenses, ensuring critical needs were met. Prioritizing training, travel, and supply expenses reflected a commitment to staff development and maintaining a well-equipped educational environment. Allocating for repairs and miscellaneous expenses emphasized the importance of maintaining facilities and addressing unforeseen needs for a smooth educational process. This data demonstrated the schools' strategic approach to managing MOOE, focusing on sustaining essential services and fostering continuous improvement.

Table 2: Budget Allocation of Maintenance and Other Operating Expenses (MOOE)

Parameters	Weighted Mean	Verbal Description	Interpretation
Utility Expenses	3.76	Very Frequently	Very Frequently Allocated/Prioritized
Security and Maintenance Services Expenses	3.19	Often	Moderately Allocated/Prioritized

Training Expenses	4.14	Very Frequently	Very Frequently Allocated/Prioritized
Travel Expenses	3.76	Very Frequently	Very Frequently Allocated/Prioritized
Supply Expenses	4.00	Very Frequently	Very Frequently Allocated/Prioritized
Repairs and Maintenance	4.13	Very Frequently	Very Frequently Allocated/Prioritized
Other Expenses	3.46	Often	Moderately Allocated/Prioritized
Overall Mean	3.78	Very Frequently	Very Frequently Allocated/Prioritized

Legend: 1.00-1.49, Never; 1.50-2.49, Sometimes; 2.50-3.49, Often; 3.50-4.49, Very Frequently; 4.50-5.00, Always

The results showed that training expenses had the highest weighted mean of 4.14, indicating they were very frequently allocated and prioritized. This emphasis on training reflects the schools' strong commitment to professional development, ensuring that staff are well-equipped with the latest skills and knowledge to enhance educational outcomes. By investing in training, schools aim to continuously improve teaching quality and student performance.

Repairs and maintenance expenses followed closely with a weighted mean of 4.13, also very frequently allocated and prioritized. This allocation posits the importance of maintaining school facilities in optimal condition, preventing disruptions, and ensuring a safe and conducive learning environment. Regular repairs and maintenance help in extending the lifespan of school infrastructure and reduce long-term costs associated with major overhauls. More so, supply expenses had a weighted mean of 4.00, indicating they were very frequently allocated and prioritized. Ensuring a steady supply of educational materials and resources is crucial for effective teaching and learning. By prioritizing supply expenses, schools demonstrate their dedication to providing students and teachers with the necessary tools to facilitate daily educational activities and promote an enriched learning experience. Nevertheless, the utility and travel expenses both had a weighted mean of 3.76, indicating they were very frequently allocated and prioritized. The high allocation for utility expenses ensures that essential services such as electricity and water are consistently available, supporting the smooth operation of school activities. Frequent allocation for travel expenses highlights the importance of facilitating mobility for staff and students, whether for educational trips, training sessions, or other school-related activities, which contributes to a well-rounded educational experience.

Security and maintenance services expenses had a weighted mean of 3.19, which means they were often allocated but not as frequently prioritized compared to other expenses. While these expenses are essential for ensuring a safe and secure learning environment, their moderate allocation suggests that they may be considered secondary to other critical areas like training and supplies. Lastly, other expenses had a weighted mean of 3.46, indicating they were often allocated and prioritized. This category likely includes various miscellaneous costs that support the overall functioning of the school. Although

these expenses are important, their moderate allocation suggests a focus on more directly impactful areas such as training, supplies, and maintenance.

Overall, the mean score of 3.78 indicates that the MOOE activities were very frequently allocated and prioritized, reflecting a strategic approach to managing school funds. This approach ensures that critical areas receive the necessary resources to maintain and improve the educational environment, thereby supporting the schools' goals of providing high-quality education and fostering continuous improvement.

Principe (2024) argued that investing in teacher training is crucial for improving instructional quality and student outcomes. This study supports the current findings by showing that schools prioritize training to ensure teachers are equipped with the latest pedagogical skills and knowledge, thereby enhancing the overall educational experience. The frequent allocation to training demonstrates a commitment to maintaining a high standard of education and adapting to evolving educational needs.

Similarly, the allocation for repairs and maintenance, with a weighted mean of 4.13, reflects findings by Balagosa and Arnejo (2023), who highlighted the importance of maintaining school infrastructure for a conducive learning environment. Their research found that well-maintained facilities contribute to better student engagement and reduced absenteeism. The current study's results, showing frequent allocation to repairs and maintenance, underscore the schools' efforts to create a safe and supportive environment for students. By prioritizing these expenses, schools can prevent major disruptions and ensure the longevity of their infrastructure, ultimately supporting continuous learning and development.

Mac Taner (2018) and Saro *et al.* (2022) also provide relevant insights into the current findings. Mac Taner (2018) emphasized the necessity of allocating resources for utilities and supplies to support the day-to-day operations of schools. The weighted means of 3.76 for utility expenses and 4.00 for supply expenses in the current study indicate that these areas are frequently prioritized, ensuring that essential services and materials are consistently available. This supports argument that reliable access to utilities and supplies is fundamental for a functional educational environment. Saro *et al.* (2022) discussed the importance of security and maintenance services in schools, noting that a safe and

secure environment is essential for effective learning. The weighted mean of 3.19 for security and maintenance services expenses suggests moderate allocation, indicating that while these areas are important, they may receive less frequent prioritization compared to other critical expenses like training and supplies. Together, these studies demonstrate the comprehensive and strategic approach

schools take in managing their resources to ensure an effective and supportive educational environment.

Significant Relationship between the Utilization of MOOE Based on the Annual Improvement Plan (AIP) and the Budget Allocation Based on School Expenses

Table 3: Relationship between the Utilization of MOOE Based on the Annual Improvement Plan (AIP) and the Budget Allocation Based on School Expenses?

Parameter	Correlation	P-Value	Remark
Utilization of MOOE Based on the Annual Improvement Plan	0.65	0.01	There is a significant relationship
Budget Allocation Based on School Expenses			

The findings revealed a notable correlation ($r = 0.65$) between the utilization of MOOE based on the Annual Improvement Plan (AIP) and budget allocation for school expenses, indicating a strong positive relationship. This suggested that as the utilization of MOOE increased, there was a corresponding rise in the allocation of budgets for school expenses. Statistical analysis demonstrated a low p-value of 0.01, surpassing the conventional significance level of 0.05. This signified that the observed correlation was highly unlikely to have arisen by chance alone, leading to the rejection of the null hypothesis. Consequently, it was substantiated that there existed a significant relationship between the utilization of MOOE and budget allocation for school expenses. These findings emphasized the importance of aligning MOOE utilization with budgetary allocations to optimize resource distribution and enhance educational outcomes. This suggested that schools could strategically align their budgetary allocations with improvement plans to optimize resource utilization and enhance educational outcomes. By recognizing and leveraging this relationship, administrators could make informed decisions about resource allocation, ensuring funds were directed towards initiatives that supported the goals outlined in the Annual Improvement Plan. Understanding this connection could facilitate more effective budget planning processes, maximizing the impact of resources on student learning and development.

The study's findings aligned with previous research conducted by Leodegario and Marciano (2024), who explored the relationship between resource allocation and educational outcomes. Their study emphasized the importance of aligning budgetary allocations with strategic plans to maximize the impact of resources on student learning. Also, found that schools that effectively aligned their budget allocations with improvement plans experienced greater improvements in student achievement and overall school performance. This supported the current study's findings that decisions regarding resource allocation were closely tied to the implementation of the Annual Improvement Plan, highlighting the significance of strategic resource

management in driving educational success. Additionally, Abalorio (2022) emphasize on budget planning processes in educational institutions provided further support for the current study's findings. On the other hand, emphasized the need for administrators to make informed decisions about resource allocation to ensure that funds were directed towards initiatives that aligned with organizational goals and priorities. Their study highlighted the importance of using data-driven approaches to budget planning, which allowed for the identification of areas where resources could be most effectively utilized to support strategic objectives. This resonated with the current study's recommendation that administrators leverage the relationship between MOOE utilization and budget allocation to inform decision-making processes and optimize resource utilization in support of the Annual Improvement Plan. Furthermore, Sicat *et al.* (2019) discussed the significance of strategic planning in education and its impact on resource allocation and educational outcomes. Their research emphasized the need for schools to develop comprehensive improvement plans that guided resource allocation decisions and ensured alignment with overarching educational goals. Sicat *et al.* (2019) found that schools that effectively integrated strategic planning into their budgeting processes were better positioned to allocate resources in a manner that supported student success and organizational effectiveness. This reinforced the importance of the Annual Improvement Plan as a guiding framework for resource allocation decisions, as identified in the current study's findings.

The Perceptions of School Heads Regarding the Utilization of MOOE Allocations

Table 4 illustrates the perceptions of school heads regarding the utilization of MOOE allocations. The findings revealed an overall mean of 4.55, indicating that school heads strongly agreed with the statements related to the effective use of MOOE funds. This high level of agreement suggests that school heads believe the allocations are being utilized efficiently and effectively to meet the schools' needs. It reflects confidence in the

current management and allocation practices of MOOE funds, highlighting that the resources are likely contributing positively to the schools' operational and educational goals.

This perception indicates the importance of continued strategic allocation and utilization of funds to maintain and enhance educational outcomes.

Table 4: Perceptions of School Heads Regarding the Utilization of MOOE Allocations

Indicators	Mean	Verbal Interpretation
1. MOOE allocation meets school operational needs.	4.30	Agree
2. Transparency and accountability in MOOE fund utilization.	4.87	Strongly Agree
3. Effectiveness of MOOE funds in supporting teaching and learning.	4.74	Strongly Agree
4. Adequacy of MOOE funds for essential expenses.	4.22	Agree
5. Fairness in MOOE fund allocation among departments.	4.52	Strongly Agree
6. Confidence in decision-making for MOOE fund allocation.	4.83	Strongly Agree
7. Alignment of MOOE allocations with school priorities.	4.74	Strongly Agree
8. Satisfaction with flexibility in MOOE fund utilization.	4.48	Agree
9. Sufficiency of MOOE allocations for school initiatives.	4.22	Agree
10. Impact of MOOE fund utilization on teaching and learning outcomes.	4.57	Strongly Agree
Overall Mean	4.55	Strongly Agree

Legend: 1.00-1.49, Strongly Disagree; 1.50-2.49, Disagree; 2.50-3.49, Neither agree nor disagree; 3.50-4.49, Agree; 4.50-5.00, Strongly Agree

The findings showed that school heads strongly agreed on the transparency and accountability in MOOE fund utilization (mean of 4.87), indicating high trust in financial management practices. They also expressed strong confidence in decision-making for MOOE allocation (mean of 4.83) and believed that these funds effectively supported teaching and learning (mean of 4.74) while aligning with school priorities (mean of 4.74). The perceived positive impact of MOOE fund utilization on teaching and learning outcomes (mean of 4.57) further highlighted the importance of strategic financial management. Additionally, the fairness in fund allocation among departments (mean of 4.52) suggested a positive work environment and equitable resource distribution. Satisfaction with the flexibility in MOOE fund utilization (mean of 4.48) and the belief that allocations met school operational needs (mean of 4.30) implied that the current system allowed for effective addressing of varied needs. However, the agreement on the adequacy of funds for essential expenses and school initiatives (mean of 4.22) suggested occasional shortfalls or unmet needs, indicating room for improvement. These perceptions implied that while MOOE funds were generally managed well and supported educational goals, ongoing evaluation and adjustments were necessary to fully meet all operational demands and maximize the impact on student learning and development.

The findings from the study that highlighted school heads' strong agreement on the transparency and accountability in MOOE fund utilization align with the research of Buban & Janer (2024). They emphasized that transparent financial management practices are crucial for building trust among stakeholders in educational institutions. Their study found that schools with high transparency in fund utilization experienced better stakeholder

engagement and support, which corroborates the current study's indication of high trust in financial management practices. Furthermore, Mangarin & O'Loughlin (2024) supported the importance of transparency and accountability by demonstrating that these factors are critical in ensuring that resources are allocated efficiently and effectively to meet school operational needs. Their findings underscore the relevance of transparency as a cornerstone for efficient resource allocation, aligning with the current study's results.

Moreover, the high level of confidence in decision-making for MOOE allocation reported in the current study is echoed by the research conducted by Tañiza (2024). Also, found that when school heads are confident in their financial decision-making abilities, it leads to more strategic and impactful use of funds. This confidence is often built through professional development and robust financial management training, which aligns with the study's findings that school heads believed MOOE funds effectively supported teaching and learning. Hontanosas & Maed (2024) also emphasized the critical role of strategic financial management in enhancing educational outcomes. Their research showed that effective budget planning and alignment with educational priorities significantly contribute to improved student performance, reinforcing the current study's findings on the positive impact of MOOE fund utilization on teaching and learning outcomes.

Lastly, the agreement on the adequacy of MOOE funds for essential expenses and school initiatives, despite occasional shortfalls, is supported by the research of Jacob & Arazo (2024). They highlighted that while funding is generally adequate, there is always a need for continuous evaluation and adjustment to address emerging needs and unforeseen expenses. This aligns with the current study's

suggestion that ongoing evaluation and adjustments are necessary to fully meet all operational demands. Jacob & Arazo (2024) also pointed out the importance of equitable resource distribution among departments to ensure all areas of the school receive the necessary support, which supports the current study's findings on the perceived fairness in fund allocation among departments. Collectively, these previous studies provide a comprehensive understanding of the importance of transparency, strategic financial management, and continuous evaluation in optimizing the utilization of MOOE funds to enhance educational outcomes.

CONCLUSION

In conclusion, the study emphasized the effective utilization of Maintenance and Other Operating Expenses (MOOE) based on the Annual Improvement Plan (AIP), reflecting a strong commitment to strategic resource management. The findings highlight the alignment between MOOE utilization and budget allocation for school expenses, emphasizing the significance of optimizing resource distribution to enhance educational outcomes. Moreover, the perceptions of school heads affirm the efficient utilization of MOOE funds, indicating confidence in current management practices and their positive impact on school operations and educational goals.

RECOMMENDATIONS

Based on the findings and conclusions of the study, several recommendations can be made to further enhance the utilization of Maintenance and Other Operating Expenses (MOOE) and optimize resource management in educational institutions:

1. Regularly review and align MOOE utilization with the objectives outlined in the Annual Improvement Plan (AIP). This ensures that resource allocation remains closely tied to the overarching goals of the institution, facilitating strategic decision-making and effective utilization of funds.
2. Implement robust financial management practices to enhance transparency, accountability, and efficiency in MOOE utilization. This includes establishing clear guidelines and procedures for budget planning, monitoring, and reporting to ensure that funds are allocated and utilized effectively to meet school needs.
3. Provide ongoing training and capacity-building opportunities for school administrators and staff involved in financial management. This empowers them with the necessary skills and knowledge to make informed decisions about MOOE utilization, thereby enhancing resource efficiency and effectiveness.
4. Foster collaboration and communication among school stakeholders, including administrators, teachers, parents, and community members, to ensure that MOOE allocations are aligned with the needs and priorities of all stakeholders. This inclusive approach can help identify areas for improvement and foster a sense of ownership and accountability for resource management.

5. Conduct future studies to explore additional factors influencing MOOE utilization and its impact on educational outcomes. This could include examining the effectiveness of specific MOOE allocation strategies, the role of technology in resource management, and the impact of external factors such as economic conditions or policy changes. Additionally, longitudinal studies could provide insights into the long-term effects of MOOE utilization on school performance and student achievement, informing future resource allocation decisions.

Acknowledgment

The author extends gratitude to Madam Josita B. Carmen, the Schools Division Superintendent of SDO-Agusan del Sur, for granting permission to conduct the study. Additionally, the author would like to thank Sir Jeffrey M. Saro, MSc, the Research Consultant, for valuable advice and input, as well as Ma'am Jecel D. Taray, the Division Research Coordinator of SDO-Agusan del Sur, for her trust and dedication to advancing this research.

REFERENCES

- Abalorio, B. E. (2022). *Assessment Of The School Improvement Plan Implementation In The Muslim Areas Of Lanao Del Norte Division: A Mixed Methods Study* (Doctoral Dissertation, La Salle University).
- Abellon, R. J., Fariñas, G. R., Soriano, A. B. D., Rodriguez, T. E., & Balaria, F. E. (2020). Utilization of Maintenance and other Operating Expenses (MOOE) of Non-Fiscally Autonomous Senior High Schools towards Achieving their Annual Improvement Plan (AIP). *International Journal of Advanced Engineering, Management and Science (IJAEMS)*, 6(7), 282-286. <https://dx.doi.org/10.22161/ijaems.67.1>
- Al-Samarrai, S. (2016). *Assessing basic education service delivery in the Philippines: Public education expenditure tracking and quantitative service delivery study*. Washington, DC: World Bank Group.
- Anderson, J. A. (2005). *Accountability in education* (Education policy series 1). Stedi Media: UNESCO.
- Argon, T. (2015). Teacher and administrator views on school principals' accountability. *Educational Series: Theory and Practice*, 15(4), 925-9.
- Balagosa, R. B., & Arnejo, J. M. (2023). MOOE Utilization and Teachers Performance. *MOOE Utilization and Teachers Performance*, 128(1), 15-15.
- Barasa, J. M. N. (2019). *Educational Organization and Management*. Nairobi: Jomo Kenyatta Foundation.
- Bryman, A., & Bell, E. (2007). *Ethical considerations*. <https://research-methodology.net/research-methodology/ethical-considerations/>
- Buban, R. G., & Janer, S. S. (2024). *Financial Management of School Heads in Magallanes Districts*.
- Calderon, J. (2006). *Methods of research and thesis writing* (2nd Ed.).
- Cruikshank, I., & Kohtz, S. (2024). *Planning for AI Sustainment: A Methodology for Maintenance and Cost*

- Management. Acquisition Research Program.
- Debuque-Gonzales, M., Ruiz, M. G. C., & Miral, R. M. L. (2023). *Macroeconomic outlook of the Philippines in 2023-2024: Prospects and perils* (No. DP 2023-34). Philippine Institute for Development Studies.
- Dela Cruz, E. A. (2016). *Financial management system among the school heads of Buenavista District II*.
- Department of Education. (2019). *Revised implementing guidelines on the direct release, use, monitoring and reporting of maintenance and other operating expenses allocation of schools, including other funds managed by school* (DepEd Order No. 008 s. 2019).
- Department of Education. (2016). *DepEd Order No. 13, s. 2016: Implementing guidelines on the direct release and use of maintenance and other operating expenses allocations of schools, including other funds managed by schools*.
- Department of Education. (2016). *DepEd Order No. 60, s. 2016: Implementation of the financial management operations manual and orientation of DepEd financial management staff at the region, division, and school levels*.
- Diokno-Sicat, C. J., Adaro, C. E., Maddawin, R. B., Castillo, A. F. G., & Mariano, M. A. P. (2020). *Baseline study on policy and governance gaps for the local government support fund assistance to municipalities (LGSF-AM) program: Integrated report* (No. 2020-03). PIDS Discussion Paper Series.
- Gomaa, A. H. (2023). Maintenance Process Improvement Framework Using Lean Six Sigma: A Case Study. *International Journal of Business & Administrative Studies*, 9(1).
- Hontanosas, G. P. A., & Maed, M. G. S. (2024). Exploring The Financial Management Transition Of School Heads To Face-To-Face Classes: A Phenomenology. *Epra International Journal Of Multidisciplinary Research (IJMR)*, 10(4), 65-81.
- Jacob, L., & Arazo, V. (2024). Challenges and Coping Mechanisms of School Disbursing Officers and Liquidators. *Psychology and Education: A Multidisciplinary Journal*, 19(8), 939-949.
- Leodegario Jr, M. J., & Marciano, J. A. (2024). Physical Facilities Development Planning Practices And Financial Resources Management Practices Of Public Elementary Schools In The Third Congressional District Of Quezon. *Ignatian International Journal For Multidisciplinary Research*, 2(5), 2025-2073.
- Taner, T. A. (2018). *Disbursement and utilization of maintenance and other operating expenses (MOOE) funds of public schools in the Philippines*.
- Manasan, R., Centino, A., & Cuenca, J. (2011). *Mobilizing LGU support for basic education: Focus on the special education fund* (Discussion Paper Series No. 2011-07).
- Mangarin, R. A., & O'Loughlin, T. W. (2024). Covid-19 Policy Responses and Implementation for a Contingency-Based Financial Planning for School Heads. *TWIST*, 19(2), 9-16.
- Matulac, J., & Moyani Jr, G. (2024). Utilization and Compliance of School Heads in the Implementation of MOOE. *International Multidisciplinary Journal of Research for Innovation, Sustainability, and Excellence (IMJRISE)*, 1(6), 71-82.
- Mercado, W. (2015). *The implementation of School Maintenance and Other Operating Expenses (MOOE) in the Public Elementary Schools in Eastern Zone Division of Agusan del Norte: Basis for Enhancement Program*.
- Mestry, R. (2006). The functions of schools governing bodies in managing school finances. *South African Journal of Education*, 26(1), 27-38.
- Ochada, N. R. C., & Gempes, D. G. (2018). *The realities of maintenance and other operating expenses (MOOE) allocation in basic education system: Unheard voices of public school teacher*.
- Olmedo, A. H., & Gempes, G. P. (2016). Shadow but unruffled of psychologically distressed public secondary school teachers. *International Journal of Management Excellence*, 7(2), 762-795.
- Principe, S. E. H. (2024). Maintenance And Other Operating Expenses (MoOE) Fund Utilization Practices Toward Personnel Productivity. *Maintenance And Other Operating Expenses (MoOE) Fund Utilization Practices Toward Personnel Productivity*, 149(1), 21-21.
- Sakwa (2013). *Effects of Financial Training on Financial Performance of School in Kenya: A survey of Administrators of Secondary Schools in Trans-Nzoia Country*.
- Saro, J., Silabay, A., Lumbanon, J., Pepugal, E., & Pareja, M. (2022). School-Based Management: Reevaluating and Innovating Learning Outcomes to Refine Schools' Performances and Practices. *Psychology and Education: A Multidisciplinary Journal*, 4(5), 439-448.
- Sicat, C. J. D., Mariano, M. A. P., Castillo, A. F. G., Adaro, C., & Maddawin, R. (2019). *Assessment of the Philippine local government planning and budgeting framework* (No. 2019-18). PIDS Discussion Paper Series. Retrieved from <https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1918.pdf>
- Subia, G. (2018). Comprehensible technique in solving consecutive number problems in algebra. *Journal of Applied Mathematics and Physics*, 6, 447-457. <https://doi.org/10.4236/jamp.2018.63041>
- Subia, G. S. (2020). Fortuitous: A proposed activity-based book in mathematics of chance. *International Journal of Scientific and Technology Research*, 9(3), 450-45.
- Tañiza, F. N. (2024). Challenges and Experiences of School Heads and Teachers in Educational Leadership A Mixed Method. *International Multidisciplinary Journal of Research for Innovation, Sustainability, and Excellence (IMJRISE)*, 1(2), 321-331.
- Tulo, A. H., & Gempes, G. P. (2016). The mediating effect of training perspective in the relationship between competency potential and career progression of technical vocational trainers. *International Proceedings of Economics Development and Research*, 70, 121.
- Waters, J. (2016). Phenomenological research guidelines. Capilano University, 2055 Purcell Way, North Vancouver, British Columbia, Canada V7J 3H5. Tel: 604.986.1911.