

Capabilities and Challenges Encountered by Barangay Officials of Selected Barangays in Dipolog City on Local Budgeting Process

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Abstract: The present political landscape of Dipolog City presented an interesting setting for the study. The researchers assessed the capabilities and challenges faced by barangay officials in connection with their sex, age, position, years of experience, and educational attainment. Extensive discussion on various legal frameworks governing the local budgeting process which allows barangay officials to participate were provided for contextualization. Sixty barangay officials in Dipolog City served as respondents of this quantitative research and findings indicate that barangay officials were much capable in all areas of the local budgeting process characterizing the phases of budget preparation, budget authorization, budget execution, and budget accountability. The capabilities of barangay officials were not significantly different depending on the respondent's profile. The phases of budget preparation, budget authorization, and budget accountability were deemed by the respondents to be "moderately challenging," and categorized budget execution as "highly challenging". Barangay officials assessed the difficulties they encountered in creating the local budget to be "moderately challenging". Based on their sex, age, position, years of experience, and educational attainment, it was discovered that the respondents' opinions of the local budgeting process did not differ significantly from one another.

Keywords: Barangay Officials, Capabilities, Challenges, Local Budgeting Process

I. Introduction

A budget is a detailed annual plan that outlines how much revenue the local government will generate and how that budget will be spent in accordance with the aims, needs, and priorities of the local government (Kitale, 2008). If the budgeting process is done correctly, it may be one of the most effective weapons for ensuring the future survival of any department, agency, or institution (Manasan & Villanueva, 2006). However,

the expanding disparity between the amount of available financial resources and the amount of money that is required for municipal spending is the primary challenge that is faced by the majority of local authorities, particularly those who are in charge of towns or villages in developing countries (United Nations Habitat, 2015). Furthermore, if barangay officials' competence to prepare, execute, review, and account for financial resources is constrained, they may be unable to complete the necessary steps to the local budgeting process and no fiscal grant may be claimed or approved by higher authorities [4].

Budgeting is an essential tool for planning and control. It involves the steps of setting short-term or long-term objectives and programs specifying how resources, primarily money, will be allocated or spent during a particular period. The budget is made to ensure that there is at least a balance between income earned and the expenses incurred (Dagohoy, 2021). More than this, the budget is a contract between citizens and state, showing how resources are raised and allocated for the delivery of public services. Such a document must be clear, transparent and credible if it is to command trust, and to serve as a basis of accountability (Exevier, 2017).

The exercise of the power in budgeting by local governments is governed by some provisions in Article X on Local Government in the 1987 Philippine Constitution. Local governments are given local fiscal autonomy to ensure that stability and sustainability on fiscal administration are observed in their locality. This provision also provides that local governments should have an equitable share in the utilization and development of the national wealth. Capability is very significant in the context of government operations since the capability is converted into performance. Accordingly, capability refers to the ability to devise and incorporate various resources to attain a certain objective. The higher the capability of the individual, the higher the chance of getting quality performance from them (Tseng & Lee, 2012). Hence, there is a need to conduct this study in order to assess whether a barangay officials' sex, age, position, years of experience, and educational attainment influences his or her capabilities and whether the challenges they encounter affects how they carry out the local budgeting process.

Article XI of the Philippine Constitution stressed that "public office is a public trust." All government officials and employees are at all times accountable to the people. This particular provision mandates all officials and employees in the government to serve the people with utmost integrity, loyalty, responsibility, and efficiency, including the officials in the basic political unit of the government, the barangay. All government officials and employees are at all times accountable to the people. Further, Article 2 of RA 7160 obligates the punong barangays, barangay treasurers, and barangay kagawads to be the key officials in performing the local budgeting process (Local Government Code).

Previous study of Dagohoy (2021) distinct samples assessed the capabilities and challenges of the selected barangay officials in Sto. Tomas, Davao del Norte in the local budgeting process, however, this study was not able to examine the deeper constraints on fiscal matters on the said locality which still continuously contributes to the challenges encountered by barangay officials. In contrast, this present study differs in scope and limitation since it examined the capabilities and challenges of the barangay officials in the selected barangays in Dipolog City, Province of Zamboanga del Norte on the local budgeting process.

II. RESEARCH METHODOLOGY

This presents the research design, research environment, respondents of the study, data gathering procedure, research instrument, scoring procedure, ethical consideration, and statistical treatment of the data in this study.

Research Design

This study utilized the descriptive method of research in determining the extent of the capabilities and challenges encountered by the barangay officials on local budgeting process in terms of budget preparation, authorization, execution, and accountability as well as the significant difference in the extent of their capabilities and challenges encountered when data are analyzed according to their profile.

The Locale of the Study

The area of interest of this study was in Dipolog City, located in the Province of Zamboanga del Norte. Since the key respondents of the study were the barangay officials and the extent of their capabilities and challenges they have encountered in the local budgeting process, Dipolog City was selected since it is home to twenty-one (21) politically subdivided barangays.

Population

The respondents of the study were the sixty (60) barangay officials of the selected barangays within Dipolog City who are the key officials in the barangay local budgeting process which consisted of punong barangays, barangay kagawads, Sangguniang Kabataan (SK) chairmen, barangay treasurers, and indigenous peoples' mandatory representatives (IPMRs).

Data Gathering Procedure

A letter of request, signed by the adviser, was sent to the Dean's office, College of Arts and Sciences, Andres Bonifacio College, Inc., Dipolog City, requesting approval to field the study's instrument outside the vicinity of the campus. Next, the researchers' letter, along with the Dean's endorsement letter, were forwarded to the Research and Ethics Committee of the said institution and thereafter, approved the study's instrument to be field out.

Ethical Consideration

The researchers, throughout the conduct of this study, reviewed the application of the principle of respect of persons by securing informed consent from the institution to distribute a research questionnaire free from technical terms that make it easier for the respondents to understand. The researchers also solicited consent from the individual respondent during the conduct of the study through an informed consent. Respondents' identities were protected, their active participation guaranteed. This research ensured the confidentiality of the respondents, which means that the respondents' identity would remain anonymous to everyone. Essential information that can support further research were preserved by the researcher.

Statistical Treatment of Data

Presented below are the statistical tools utilized in the treatment and analysis of the gathered data.

Average Weighted Mean. This was used to answer problem number two and number four and were utilized to compute the extent of the capabilities and the extent of challenges encountered by the barangay officials on the local budgeting process.

Standard Deviation. This was used to answer how close the responses were to the average weighted mean. It refers to the average amount of variability in the data set.

Mann-Whitney U Test. This was used to test the significant difference between the sex profile of the respondents.

Kruskal-Wallis H Test. This was used to test the significant difference between the respondents' position, years of experience and educational attainment.

Frequency Count and Percentage. These were used to quantify the challenges encountered by the barangay officials on the local budgeting process.

III. Results and Discussion

This part presents the data that were gathered through research questionnaires. The presentation of data follows the statement of the problem of the study.

Table 2

Profile of the Respondents in terms of Sex

	Frequency	Percent
Male	37	61.7
Female	23	38.3
Total	60	100.0

Table 2 shows the respondents' sex distribution. According to the data, men comprised around 61.7 percent of the poll respondents, making up the larger majority. It means that there are more male than female officials in the selected barangays covered in the survey. However, a significant percentage [38.3%] of women worked in the barangays. It means that contemporary women work from home and offer services to their barrio neighbors.

This finding of the current study affirms the study of Moreno and Valente (2014) which espoused that women are underrepresented as barangay officials. The study found that 98 barangays in Zamboanga City consists of 784 or 77.93% men, and 173, or 22.07% women.

Table 3

Profile of the Respondents in terms of Age

	Frequency	Percent
18 - 30 years old	7	11.7
31 - 35 years old	2	3.3
36 - 40 years old	6	10.0
41 - 50 years old	21	35.0
51 years old & above	24	40.0
Total	60	100.0

Table 3 displays the respondents' age distribution. The table shows that 40 percent of survey respondents were at least 51 years old and above. It points out that a higher proportion of respondents had the skills necessary to be chosen as barangay officials because of their knowledge of the local budgeting process. Also, the budgeting processes in their different units were expected to have presented them with several difficulties.

The present finding is consistent with the study of Huang, Liao, Huang, and Chen (2014) which found that 36.1 % of respondents were between 41 and 50 years old.

Table 4

Profile of the Respondents in terms of Position

	Frequency	Percent
Punong Barangay	6	10.0
Barangay Kagawad	42	70.0
SK Chairman	6	10.0
Barangay Treasurer	6	10.0
Total	60	100.0

The positional profile of the responders is shown in Table 4. According to the table, Barangay Kagawad accounted for the most significant percentage of survey respondents, with 70%. Since there are six (6) barangays and seven (7) Barangay Kagawad, that implies that a total of 42 persons were involved. The Punong Barangay, SK Chairman, and Barangay Treasurer are equivalent positions in each barangay. Consequently, each position was represented by 10% of the sample's responders. It appears that the responders' selections determine who represents each position.

The present finding is consistent with the study of Dagohoy (2021) which espoused that majority of respondents were Barangay Kagawad.

Table 5

Profile of the Respondents in terms of Years of Experience

	Frequency	Percent
3 years & below	3	5.0
4 – 6 years	35	58.3
7 years & above	22	36.7
Total	60	100.0

The years of experience of the survey respondents are listed in Table 5. According to the table, 5% of the barangay officials had at least three years of experience. More than 58 percent of these officials had been in the service for four to six years, and roughly 37 percent had been there for at least seven. It implies that a mix of senior and junior officials manages the barangays. It denotes that senior employees in the organization have understood the field to instruct new officers.

The current finding is in line with research conducted by Huang, Liao, Huang, and Chen, (2014) which revealed that respondents with service ages ranging from 5 to 10 years.

Table 6

Profile of the Respondents in terms of Educational Attainment

	Frequency	Percent
High School Level	1	1.7
High School Graduate	2	3.3
College Level	15	25.0
College Graduate	38	63.3
College Graduate with Masteral Units	4	6.7
Total	60	100.0

Table 6 shows the profile of the respondents in terms of educational level. The table reveals that 70% of respondents are college graduate and college graduate with masteral units. In other words, barangay officials are typically degree-holding individuals recognized as professionals. It can be assumed that barangay servants are educated and have some understanding of how budgets are created. They may be trusted to protect and secure the barangay's funds while providing services.

The latest finding corroborates the study of Huang, Liao, Huang, and Chen (2014) which found that 58.8 percent of respondents had a college degree or higher.

Capabilities of Barangay Officials on Local Budgeting Process

Table 7

Extent of Capabilities of Barangay Officials on the Local Budgeting Process in terms of Budget Preparation

Descriptors	AWV	SD	Description	Interpretation
1. Preparation of the Barangay Annual Investment Plan (AIP)	3.87	0.982	Much Capable	Properly Performed
2. Reviewing budget proposal as to the consistency with the AIP	3.83	1.060	Much Capable	Properly Performed
3. Consultation with civil society, accredited NGOs in the community and private sector	3.65	1.022	Much Capable	Properly Performed
4. Formulation of a Budget Messages setting forth the significance of the executive budget, particularly in relation to the approved local development plan	3.80	1.054	Much Capable	Properly Performed
5. Formulation of the Executive and Legislative Agenda (ELA)	3.65	1.005	Much Capable	Properly Performed
6. Interpretation of spending ceiling, revenue/tax measures, resource allocation scheme or fiscal policy decisions, objectives, priority programs/activities, and expected results	3.68	1.000	Much Capable	Properly Performed
7. Formulation of a summary of financial statements in the budget document	3.82	1.017	Much Capable	Properly Performed
8. Preparation of the executive issuance known as the Budget Call	3.72	1.075	Much Capable	Properly Performed
9. Facilitation of Budget workshops/forum for the accomplishment of budget forms and documents	3.72	0.993	Much Capable	Properly Performed
10. Production of facts and details on spending ceiling, revenue/tax measures, resource allocation scheme or fiscal policy divisions, objectives, priority programs/activities, and expected results	3.70	1.062	Much Capable	Properly Performed

ctedresults				
Overall Mean & SD	3.74	0.940	Much Capable	Properly Performed

AWV-Average Weighted Value, SD-Standard Deviation

The extent of the barangay officials' budget preparation capabilities is shown in Table 7 for the local budgeting process. The respondents gave the barangay officials a "much capable" rating in all areas characterizing their budget preparation talents, indicating that they consistently demonstrated their abilities. It means that the Barangay Annual Investment Plan (AIP) and Executive and Legislative Agenda (ELA) preparation and formulation are adequately performed. Similarly, barangay officials might issue executive issuances in a timely manner. These may include budget calls, budget messages, reviews of the budget proposal, revenue measures, fiscal policy decisions, objectives, priority programs, activities, expected results, and facilitation of budget workshops and consultation with civil society and the accredited NGOs in the community. It follows that barangay officials can carry out all functions related to budget preparation.

The current result is consistent with the study of Dagohoy (2021) with the revelation that the barangay officials were adequate in financial management capabilities.

Table 8

Extent of Capabilities of Barangay Officials on the Local Budgeting Process in terms of Budget Authorization

Descriptors	AWV	SD	Description	Interpretation
1. Approval through the enactment of an ordinance known as Appropriation Ordinance authorizing the budget of the barangay government	3.98	1.017	Much Capable	Properly Performed
2. Deliberation of the proposed budget via public hearings or consultation	3.97	0.956	Much Capable	Properly Performed
3. Evaluation of the budget on the basis of its consistency with the approved local development plans	3.85	0.988	Much Capable	Properly Performed
4. Consideration of the executive budget as a priority measure for legislation	3.72	1.010	Much Capable	Properly Performed
5. Guaranteeing that the executive budget is development or results-oriented, poverty-focused, and promotes economic growth	3.73	1.006	Much Capable	Properly Performed
6. Ensuring that the provisions on Budgetary requirements and General Limitations prescribed were	3.82	1.000	Much Capable	Properly Performed

7.	compiled in the proposed budget Preliminary review and evaluation of the executive budget by the committee of appropriations	3.83	0.960	Much Capable	Properly Performed
8.	Comprehension about the limitation of the sanggunian to increase and include new items in the annual budget	3.85	1.022	Much Capable	Properly Performed
9.	Comprehension about the liabilities of the chief executive in failing to submit the executive budget to the sanggunian on or before October 16 or every fiscal year	3.90	1.037	Much Capable	Properly Performed
10.	Analysis of the budget for the purpose of ensuring compliance with statutory and administrative requirements	3.70	1.062	Much Capable	Properly Performed
Overall Mean & SD		3.84	0.938	Much Capable	Properly Performed

AWV-Average Weighted Value, SD-Standard Deviation

Table 8 for the local budgeting process displays the scope of the barangay authorities' budget authorization powers. In all areas of budget authorization, the respondents gave the barangay officials a "much capable" rating, indicating that they consistently showed their competence. It demonstrates that the barangay properly documents and presents the proposed annual budget to the Sangguniang Barangay along with the specifics of the intended expenditures. It signifies that the Sangguniang Barangay, the legislative body with the authority to adopt all ordinances pertaining to the barangay, has approved the barangay budget. The barangay further offers a budget authorization window that may be used to view allocations processed for a specific budget month and, if accurate, authorize the benefits.

The current finding is consistent with the study of Dagohoy (2021) which indicated that Barangay officials could adequately complete all budget-authorized tasks. He also stated that the SBO's initiatives in conducting local legislative procedures and policy analysis training in collaboration with DILG were helpful and valuable.

Table 9

Extent of Capabilities of Barangay Officials on the Local Budgeting Process in terms of Budget Execution

Descriptors	AWV	SD	Description	Interpretation
1. Comprehension about the Republic Act 9184, also known as Government Procurement Act of 2003	3.80	0.917	Much Capable	Properly Performed
2. Knowledge on the limitation	3.72	0.958	Much Capable	Properly Performed

	s/prohibitions on disbursements				
3.	Comprehension about the general liability for unlawful expenditures	3.72	0.993	Much Capable	Properly Performed
4.	Comprehension Public Sector (formerly NGAS)	3.67	0.968	Much Capable	Properly Performed
5.	Comprehension on Disbursement, the issuance of certification on Disbursement Vouchers	3.70	0.997	Much Capable	Properly Performed
6.	Preparation of the Local Budget Matrix (LBM)	3.67	1.068	Much Capable	Properly Performed
7.	Understanding about the Allotment System in the Local Government Units	3.72	0.976	Much Capable	Properly Performed
8.	Operation of Cash Flow Forecast/Analysis Tool	3.55	1.080	Much Capable	Properly Performed
9.	Comprehension about the budgetary Reserves	3.65	1.005	Much Capable	Properly Performed
10.	Comprehension on Obligation, the issuance of Certificate on the Obligation Slip	3.70	0.979	Much Capable	Properly Performed
	Overall Mean & SD	3.69	0.915	Much Capable	Properly Performed

AWV-Average Weighted Value, SD-Standard Deviation

The skills for executing the barangay budget are shown in Table 9. The respondents rated the barangay officials as "much capable" in every area of budget execution, indicating that they consistently showed their ability. It proves that the barangay officials correctly carried out the suggested annual budget and the expected expenditures' details. The following processes might be used to carry out the barangay budget: the creation of a simple cash program for the quarter, distribution of funds under the cash program, creation of requests for the obligation of allotment (ROA), creation of disbursement vouchers based on approved ROA, and issuance of checks. The study results might also demonstrate that the barangay authorities can fulfill the Local Government Code's requirements. They must see that the expected revenues are achieved, the barangay development plan's approved programs and projects are carried out, and the annual budget is adhered to. Additionally, all financial transactions in the barangay comply with accounting and auditing regulations, are carried out in line with the appropriation ordinance, and are reviewed in the annual budget.

The present finding corroborates that of Dagohoy (2021) which found that barangay officials could adequately conduct all budget implementation activities. He also mentioned capability-building seminars and workshops, which aid in developing barangay authorities' ability to execute their budget.

Table 10

Extent of Capabilities of Barangay Officials on the Local Budgeting Process in terms of Budget Accountability

Descriptors	AWV	SD	Description	Interpretation
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1.	AwarenesstothefunctionsandresponsibilitiesoftheCommissiononAudit (COA) as to the disbursement oflocal funds and statements of accountsasbeingmandated bylaw	3.82	1.017	Much Capable	Properly Performed
2.	AwarenessontheAuditorial VisitationofCOA'sdulyauthorizedrepresentatives	3.87	0.999	Much Capable	Properly Performed
3.	PostingofSummaryofIncomeandExpenditures in conspicuous places ofthebarangay	3.78	1.010	Much Capable	Properly Performed
4.	SubmissionofaccountabilityreportstoCOAandotherhigheragencies	3.88	1.027	Much Capable	Properly Performed
5.	Monitoringoftheefficiency oflocalincomeand tax collection	3.77	1.015	Much Capable	Properly Performed
6.	Inspectionofgoodsandservicesprocured by the barangay government inaccordanceto RA9184	3.75	1.019	Much Capable	Properly Performed
7.	Postingofperformancereviewreportinconspicuousplacesinthebarangay	3.72	1.010	Much Capable	Properly Performed
8.	Conductmid-yearreviewandexaminationofcostandaccomplishmentsagainstperformance standards	3.58	0.979	Much Capable	Properly Performed
9.	Conduct annual review and examinationofcostandaccomplishmentsagainstperformancestandards	3.72	0.922	Much Capable	Properly Performed
10.	Determinationofthemajoroutputs/activitiestobemeasuredandassigning weight to each output/activitybeingreportedaspartoftheperformance evaluation	3.62	1.043	Much Capable	Properly Performed
	Overall Mean & SD	3.75	0.916	Much Capable	Properly Performed

AWV-Average Weighted Value, SD-Standard Deviation

The barangay officials' evaluation of their level of capacity for the local budgeting process in terms of budget accountability is shown in Table 10. The barangay officials in the polled barangays can effectively carry out the mandate of the Commission on Audit (COA) as to the disbursement of local funds and Auditorial Visitation of COA's duly authorized representatives, as can be seen in the table, which indicates that the extent of their capability on budget accountability is "much capable." The study's results also signify that barangay authorities can efficiently collect taxes, monitor and submit reports, and post them. Additionally, they are capable of carrying out mid-year and annual reviews in a professional manner.

The recent discovery affirms with the study of Dagohoy (2021) which discovered that barangay authorities could adequately complete all budget accountability responsibilities. He also emphasized the success of the COA's annual interventions, which are done in collaboration with the Municipal Accounting Office through seminars and workshops, in promoting openness and accountability in local government operations.

Table 11

Summary of the Extent of Capabilities of Barangay Officials on the Local Budgeting Process

Indicators	Mean	SD	Description	Interpretation
Budget Preparation	3.74	0.940	Much Capable	Properly Performed
Budget Authorization	3.84	0.938	Much Capable	Properly Performed
Budget Execution	3.69	0.915	Much Capable	Properly Performed
Budget Accountability	3.75	0.916	Much Capable	Properly Performed
Grand Mean & SD	3.76	0.906	Much Capable	Properly Performed

SD-Standard Deviation

A summary of the involvement of barangay officials in the local budgeting process is provided in Table 11. The table reveals that the barangay officials had a grand mean of 3.76 revealing that they are "much capable." This result indicates that barangay officials can correctly fulfill tasks and functions that further the goal and mandate of the local budgeting process. Additionally, the standard deviation result revealed that the replies were homogeneous. It indicates that the respondents' skills in the various local budgeting processes were comparable.

The study's findings also imply that the surveyed barangay officials can perform their responsibilities as essential participants in local budgeting to improve service delivery. Moreover, it exhibits that barangay officials are knowledgeable enough to understand the importance of government institutions maintaining transparency to ensure that spending stays within the bounds of authorized spending plans.

The current finding is in linewith the findings ofDagohoy (2021) which revealed that barangay officials could undertake tasks and functions that would achieve the objective and mandate of the local budgeting process. He also stated that Barangay officials could fulfill their obligations as significant actors in local budgeting to improve service delivery in their community.

Difference in the Capabilities of Barangay Officials on the Local Budgeting Process

Table 12

Test of Difference in the Capabilities of Barangay Officials on the Local Budgeting Process by Profile

	U-Value	H-Value	p-value @ 0.05	Interpretation
Budget Preparation				
Sex	411.50		0.830	Not Significant

Age		5.616	0.230	Not Significant
Position		4.389	0.222	Not Significant
Years of Experience		1.854	0.396	Not Significant
Educational Attainment		3.988	0.263	Not Significant
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Budget Authorization	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	424.50		0.988	Not Significant
Age		5.194	0.268	Not Significant
Position		4.072	0.254	Not Significant
Years of Experience		2.552	0.279	Not Significant
Educational Attainment		3.947	0.267	Not Significant
<hr/>				
Budget Execution	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	422.50		0.963	Not Significant
Age		4.530	0.339	Not Significant
Position		2.482	0.479	Not Significant
Years of Experience		2.323	0.313	Not Significant
Educational Attainment		3.563	0.313	Not Significant
<hr/>				
Budget Accountability	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	402.50		0.723	Not Significant
Age		7.001	0.136	Not Significant
Position		3.997	0.262	Not Significant
Years of Experience		3.102	0.212	Not Significant
Educational Attainment		3.389	0.335	Not Significant
<hr/>				
Overall Barangay Officials Capabilities	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	407.50		0.784	Not Significant
Age		5.395	0.249	Not Significant
Position		3.872	0.276	Not Significant
Years of Experience		2.502	0.286	Not Significant
Educational Attainment		4.102	0.251	Not Significant

Table 12 displays the test of variation in the respondents' perceived capabilities of barangay officials on the local budgeting process evaluated by profile. The respondents' perceptions of the local budgeting processes used by the barangay official, such as budget preparation, budget authorization, budget execution, and budget accountability, were not significantly different based on the respondent's sex, age, position, years of experience, and educational attainment. It shows that respondents' assessments of the barangay officials' suitability for the local budgeting procedures were the same, independent of their sex, age, position, years of experience, and educational attainment. It may imply that respondents' assessments of the barangay officials' proficiency with local budgeting procedures are unrelated to their backgrounds.

The current finding is similar to the conclusions of the (Huang, Liao, Huang, and Chen, (2014) which indicated that sex, age, position and tenure has no influence on the budgeting process. However, the current finding contradicts the study of Dagohoy (2021) which indicated a significant difference in the extent of the capability of barangay officials when grouped according to educational attainment. He further indicated that degree-holder officials have a greater extent of capacity than non-degree holder officials.

Challenges of Barangay Officials on Local Budgeting Process

Table 13

Extent of Challenges of Barangay Officials on the Local Budgeting Process in terms of Budget Preparation

Descriptors	AWV	SD	Description	Interpretation
1. Many documents and budget forms to be accomplished are time-consuming processes	3.75	1.052	Agree	Highly Challenging
2. No consultation to civil societies and other stakeholders	3.25	0.950	Neutral	Moderately Challenging
3. Changes in budget forms	3.47	1.049	Agree	Highly Challenging
4. Lack of funds to conduct activities for budget preparation	3.15	0.971	Neutral	Moderately Challenging
Overall Mean & SD	3.40	0.841	Neutral	Moderately Challenging

AWV-Average Weighted Value, SD-Standard Deviation

The challenges that barangay officials faced in the polled communities when preparing their budgets are shown in Table 13. Due to the numerous paperwork and budget forms that needed to be completed, the respondents described the budget preparation as "moderately challenging." It contains the Executive and Legislative Agenda (ELA), Annual Investment Plan (AIP), Budget Call, Budget Message, and the like. These were determined to be time-consuming processes that interfered with some of their scheduled operations. This finding is similar to that of [4] which indicated that the problem in the budget preparation is there were many documents and budget forms that needed to be accomplished.

The "no consultation to civil societies and other stakeholders" was also thought to be moderately complex. It is assumed that the absence of community involvement makes preparing the annual budget futile. Local government budgets in the Philippines are by definition public and serve as important tools for policy formulation and planning. Civil society organizations (CSOs) have historically played an important role in improving the local budgeting process. Their engagement with local governments not only improves transparency by revealing how funds are allocated, but it also boosts legitimacy by facilitating dialogue and fostering consensus (Ragonjan, 2010).

Similarly, aside from the fact that there were many forms, there were also changes in completing the forms, which item was considered "highly challenging." Changing the nomenclature of documents involves money, time, and more efforts, which delays submission of the budget preparation to and approval by the Sangguniang Barangay. This discovery affirmed the findings of Dagohoy (2021) which stated that previous commitments hamper flexibility. It is a time-consuming process, and there were numerous forms and changes in completing the forms; this was likewise part of the problems encountered by barangay officials.

In addition, there needed to be more finances to carry out budget preparation-related activities, including forums, meetings, and discussions with civil society organizations and other stakeholders. RA 7160 requires several actions to implement participatory budgeting. But in the barangays that were surveyed, it was different. Given that the available finances are likely sufficient to cover the needs of the proposed initiatives, it may be inferred that lack of funding is the main obstacle to participatory governance. This corroborates the findings of Dagohoy (2021) that in addition to social preparation such as information dissemination, coordination, and collaboration, funding is the most significant barrier to participatory governance because available funds are likely to be less than the requirements of the projects planned.

Overall, according to the study's respondents, the barangay officials found it "moderately challenging" to prepare their budgets. The preparation and submission steps are the most challenging to characterize because they have undergone the most significant reform efforts, which may indicate that barangay officials realized this. Likewise, barangay authorities need help precisely anticipating their resource needs when budgets are established because budget preparation is time-consuming and spending demands are unpredictable. This confirms the incompetence of some Sangguniang barangay members is also one of the challenges barangay officials encounter in the budget authorization process. According to them, some officials, specifically in the Sangguniang barangay, were unskilled to deliberate the supposed activities and programs under their committee chairmanship for funding purposes Dagohoy (2021).

Table 14

Extent of Challenges of Barangay Officials on the Local Budgeting Process in terms of Budget Authorization

Descriptors	AWV	SD	Description	Interpretation
1. Absenteeism of SB members	3.13	1.081	Neutral	Moderately Challenging
2. Mishandling of the Punong Barangay in the deliberation of the annual budget to the sanggunian	3.00	1.089	Neutral	Moderately Challenging
3. Lack of competence of some members of the sanggunian	2.95	0.999	Neutral	Moderately Challenging
Overall Mean & SD	3.03	0.955	Neutral	Moderately Challenging

AWV-Average Weighted Value, SD-Standard Deviation

The challenges that barangay authorities faced during the budget authorization are listed in Table 14. These include the "moderately challenging" absenteeism of some Sangguniang Barangay members. This scenario may result in "out of quorum" during discussions of issues. This finding affirmed the findings of Dagohoy (2021) which indicated that absenteeism of some Sangguniang barangay members causes "out of quorum, m" during deliberations and delays in the enactment of the Appropriation Ordinance.

Further, one of the moderate challenges that the barangay authorities had throughout the budget authorization process was the mismanagement of the Punong Barangay, who also acts as the Sangguniang Barangay Presiding Officer. The presiding officer uses facilitation strategies to stall or expedite the proceedings to further his interests. This research result confirms the study of Dagohoy (2021) [4] which suggested that mistreatment of the Punong Barangay, who also serves as the Sangguniang barangay presiding officer, is one of the challenges encountered by barangay officials throughout the budget authorization process.

Furthermore, one of the moderate challenges in the budget authorization procedure was the incompetence of some Sangguniang Barangay members. It could imply that some officials, specifically in the Sangguniang Barangay, lacked the expertise to discuss the alleged projects and activities under their committee leadership to secure funds. If a complete discussion cannot take place in front of all the legislative body members, it could imply that incompetent deliberations could occur. Therefore, instead of spreading information outside the plenary, authorities should promptly inform the members of the Sanggunian if they wish to clarify or bring up a specific issue during their debate. This result is similar to what Dagohoy (2021) espoused in his study, stating that one of the challenges in the budget authorization process is the incompetence of some Sangguniang barangay members.

Overall, the table demonstrates that the barangay officials experienced moderate challenges with budget authorization. It denotes barangay officials' adherence to the Code of Conduct and Ethical Standards for

Public Officials and Employees. As a result, public servants put the good of the community before their interests. This research conclusion is in line with Dagohoy (2021) whose findings suggested that some officials, particularly in the Sangguniang Barangay, were unqualified to deliberate the ostensible activities and programs under their committee leadership for financing purposes. Instead, they preferred disorderly actions outside the plenary to properly discuss specific issues before the august body.

Table 15

Extent of Challenges of Barangay Officials on the Local Budgeting Process in terms of Budget Execution

Descriptors	AWV	SD	Description	Interpretation
1. The complex process mandated by the RA 9184	3.45	1.126	Agree	Highly Challenging
2. Complexity of the PPSAS/N GAS	3.42	1.154	Agree	Highly Challenging
Overall Mean & SD	3.43	1.103	Agree	Highly Challenging

AWV-Average Weighted Value, SD-Standard Deviation

In Table 15, it was discovered that the compulsory procedure under RA 9184, also known as the Government Procurement Act of 2003, was a barrier that the barangay authorities confronted on a significant scale. The complex procedures of RA 9184, including the establishment of the Bids and Awards Committee (BAC), the public bidding procedures, the procurement posting in the Philippine Government Electronic Procurement System (PhilGEPS), and the various forms that had to be completed even in the alternative mode of procurement, were, in the opinion of the barangay officials, the biggest challenges they faced. It was discovered that all of the respondents faced the same problems uniformly. It implies that the barangay official may need more exposure to strategies and activities that could lessen the difficulties in carrying out the local budget.

In the New Government Accounting System (NGAS), now known as the Philippine Public Sector Accounting System (PPSAS), barangay officials likewise faced significant difficulties. Due to their inadequate orientation and knowledge of this system, the execution and disbursement of the barangay money have been delayed. Similarly, the treasurer creates and oversees the barangay's annual budget. Due to the devolution of the accounting, auditing, and budget monitoring responsibilities, the treasurer is responsible for managing everything and maintaining records per the New Government Accounting System (NGAS) standards, some of which features are unfamiliar to barangay treasurers.

However, the execution of the budget could have been easier for barangay authorities. It can be because there needs to be more NGAS/PPSAS training, and the ICT and computer manipulation skills needed for PhilGEPS. As a result, responsible officials need to be knowledgeable and skilled to speed up barangay transactions related to the budgeting process.

Dagohoy (2021) also suggested that the problems encountered by barangay officials under RA 9184 were the complex process of this law, such as the formation of the Bids and Awards Committee (BAC), public bidding procedures, procurement posting in the Philippine Government Electronic Procurement System (PhilGEPS), and the various forms to be completed even in the alternative mode of procurement.

Table 16

Extent of Challenges of Barangay Officials on the Local Budgeting Process in terms of Budget Accountability

Descriptors	AWV	SD	Description	Interpretation
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1. Noperformanceevaluation conducted	3.00	0.902	Neutral	Moderately Challenging
2. Differenttypesofreports	3.23	1.031	Neutral	Moderately Challenging
3. Inconsistencyofmonitoring	3.03	0.991	Neutral	Moderately Challenging
Overall Mean & SD	3.09	0.872	Neutral	Moderately Challenging

AWV-Average Weighted Value, SD-Standard Deviation

Budget accountability is the final stage of the local budgeting procedure. As reported in Table 16, the moderate difficulty indicated that several barangay governments did not perform the performance evaluation. Because of this, it can be subsumed that the barangay officers were unable to evaluate the success of their barrio in relation to the local budgeting process. Furthermore, it can be claimed that the barangay could not conduct the performance evaluation because they lacked the necessary funding. This research finding affirmed the results of Dagohoy (2021) [4] study, revealing that certain barangay governments had problems because they did not conduct performance reviews. As a result, they could not analyze the efficiency and efficacy of their barangay's performance concerning the local budgeting process.

Barangay officials also described the completion of several reports needed by the Commission on Audit (COA), such as the Summary of Income and Expenditures, Mid-year and Annual Accountability Reports, and Performance Evaluation Reports, as a problem of considerable difficulty. As a result, difficulties arise when a systematic approach to guide preparation needs to be established. Similarly, lacking knowledge and experience makes it difficult to complete tasks and achieve objectives. Furthermore, it can be difficult if a leader does not divide the work and assign someone to complete it. These can be the causes of the budget accountability issues the barangay officials ran with. Furthermore, Dagohoy (2021) findings also revealed that the difficulties faced by barangay officials are the completion of various types of reports required by the Commission on Audit (COA), such as Summary of Income and Expenditures, Mid-year and Annual Accountability Reports, and Performance Evaluation Reports.

Another moderate problem experienced under the budget accountability process was the need for the Commission on Audit (COA) to monitor the barangay governments' financial activities regularly. This method likely assists the critical actors of the local budgeting process in updating and improving their operations. Dagohoy (2021) also noted that the problem found throughout the budget accountability process is the inefficiency of COA to monitor barangay governments' financial activities consistently.

Overall, at a moderate level, barangay officials struggled with budgetary accountability. It can also mean no quality management system in the barangays. It can imply that a barangay-level organization can lessen, if not eliminate, the modest obstacle faced by the barangay's local authorities through a quality management system.

Moreover, Dagohoy (2021) findings revealed that the problem encountered during the budget accountability process is the COA's failure to conduct consistent monitoring of the financial activities of the barangay governments, where barangay officials believe that this will help the key players in the local budgeting process update and improve their operations.

Table 17

Summary of the Extent of Challenges of Barangay Officials on the Local Budgeting Process

Indicators	Mean	SD	Description	Interpretation
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Challenges in Budget Preparation	3.40	0.841	Neutral	Moderately Challenging
Challenges in Budget Authorization	3.03	0.955	Neutral	Moderately Challenging
Challenges in Budget Execution	3.43	1.103	Agree	Highly Challenging
Challenges in Budget Accountability	3.09	0.872	Neutral	Moderately Challenging
Grand Mean & SD	3.24	0.810	Neutral	Moderately Challenging

SD-Standard Deviation

Table 17 demonstrates how difficult it was for the barangay officials to carry out the budget. The difficulty in creating, authorizing, and holding people accountable for the budget was modest. Overall, the data indicated that barangay officials found the local budgeting process moderately tricky. It might imply that local government officials require more fantastic budgeting training. (i.e., seminars, training, workshops, etc.). In order to prevent further complications and ensure a smooth process, they must familiarize systematic review procedures with the creation, authorization, execution, and accountability of the local budget.

The current finding is supported by Dagohoy (2021) who stated that barangay officials faced moderately challenging problems in times of budgeting process necessitates the efficiency and effectiveness of duties and functions not only on the part of barangay officials but also on the part of higher authorities, particularly those responsibilities in the fiscal administration of local government units.

Table 18

Test of Difference in the Challenges of Barangay Officials on the Local Budgeting Process by Profile

Budget Preparation	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	381.50		0.498	Not Significant
Age		5.026	0.285	Not Significant
Position		1.473	0.689	Not Significant
Years of Experience		2.705	0.259	Not Significant
Educational Attainment		2.144	0.709	Not Significant
Budget Authorization	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	363.50		0.340	Not Significant
Age		5.195	0.268	Not Significant
Position		2.941	0.401	Not Significant
Years of Experience		0.578	0.749	Not Significant
Educational Attainment		6.356	0.174	Not Significant
Budget Execution	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	412.50		0.840	Not Significant
Age		7.062	0.133	Not Significant
Position		0.308	0.959	Not Significant
Years of Experience		1.102	0.576	Not Significant

Educational Attainment		7.243	0.124	Not Significant
Budget Accountability	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	319.50		0.102	Not Significant
Age		3.641	0.457	Not Significant
Position		2.315	0.510	Not Significant
Years of Experience		1.053	0.591	Not Significant
Educational Attainment		3.939	0.414	Not Significant
Overall Barangay Officials Challenges	U-Value	H-Value	p-value @ 0.05	Interpretation
Sex	367.00		0.372	Not Significant
Age		6.562	0.161	Not Significant
Position		1.755	0.625	Not Significant
Years of Experience		1.100	0.577	Not Significant
Educational Attainment		4.462	0.347	Not Significant

The profile-based test of variation in respondents' perceptions of the challenges that barangay officials face during the local budgeting process is shown in Table 18. Based on the respondent's sex, age, position, years of experience, and educational attainment, there were no appreciable differences in the respondents' perceptions of the local budgeting processes used by the barangay officials, including budget preparation, budget authorization, budget execution, and budget accountability. It demonstrates that respondents' opinions of the suitability of the barangay officials for the local budgeting processes were the same regardless of their sex, age, position, years of experience, and level of education. It could imply that respondents' opinions about the barangay officials' familiarity with local budgeting practices have nothing to do with their upbringing.

The current result corroborates the study of Huang, Liao, Huang, and Chen (2014) which indicated that challenges encountered in the budgeting process were unaffected by their sex, age, position, educational attainment, and tenure.

IV. Conclusions

The study concludes that the capabilities of barangay officials of the selected barangays in Dipolog City are much capable in the local budgeting process specifically in budget preparation, budget authorization, budget execution and budget accountability. The challenges that they have encountered, however, remains to be an evident obstacle that they need to address. It has also been established that the capabilities and challenges of barangay officials do not significantly differ when grouped into sex, age, position, years of experience and educational attainment.

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