# Predicament of barangay treasurer on efficient financial transactions and COA reportorial requirements: An input for institutionalization

Christian Rei E. Alforte, CPA

*alfortechristianrei@gmail.com*
*Laguna State Polytechnic University, Sta. Cruz Campus, Laguna, Philippines, 4009*

**Abstract**

This study assessed the competency of Barangay Treasurers and its relationship to their efficiency in financial transactions and compliance with Commission on Audit (COA) reportorial requirements in the Municipal Government of Los Baños, Laguna. A descriptive-correlational research design was employed, involving 100 respondents composed of barangay treasurers, elected officials, and personnel. Findings revealed that most respondents were young, predominantly female, and had 1–3 years of service. Barangay Treasurers demonstrated high competency in managing financial transactions and internal control systems, while computer and financial literacy were rated moderately high. In terms of efficiency, results showed a high level across timeliness, completeness, and accuracy of financial reports. Correlation analysis indicated a significant positive relationship between competency and efficiency, with internal control systems showing the strongest influence on reporting performance. The null hypothesis was therefore rejected. The study concludes that competency significantly affects efficiency in barangay financial management. It recommends continuous training, particularly in digital and financial literacy, along with strengthened internal control practices and the adoption of standardized systems to further improve reporting accuracy, accountability, and compliance.

*Keywords*: Barangay Treasurers; competency; efficiency; financial transactions; COA reportorial requirements; internal control system; financial literacy

## 1. Introduction

In the Philippine local government structure, the Barangay Treasurer holds a crucial function in ensuring the proper management of public funds at the community level. Traditionally, barangay rely heavily on manual and paper-based financial processes, a common practice across the country that persists despite the growing push for digital transformation in government systems. As mandated by the Local Government Code of 1991, the Barangay Treasurer is responsible for collecting revenues, keeping custody of barangay funds, preparing financial documents, and ensuring that all transactions reflect transparency and accountability. These duties are central to day-to-day governance because barangay serve as the frontline providers of social services, community programs, and local development initiatives.

The extensive responsibilities assigned to the Barangay Treasurer, emphasizing the treasurer's essential role in overseeing the custody, safekeeping, and disbursement of barangay funds. This provision forms the operational foundation of barangay financial management, mandating strict compliance with government accounting standards and financial procedures. In practice, however, the breadth of duties outlined in Section 389 exposes the numerous challenges faced by treasurers as they carry out their functions, particularly in barangay where administrative staff, technical training, and digital systems remain limited. Many treasurers manage financial transactions manually, maintain voluminous records, and process disbursements while simultaneously attending to other community-based duties. These constraints often result in slow processing of financial transactions, inconsistencies in recordkeeping, and delays in the preparation of required documents. The gap between legally mandated responsibilities and available institutional support reflects the structural issues confronting barangay treasurers, underscoring the need for stronger systems and capacity-building initiatives to enhance their efficiency and accuracy. (*Section 389, Local Government Code of 1991)*

Furthermore, the challenges by imposing personal liability on public officials for any loss, misuse, or misappropriation of government funds under their control. While this provision reinforces the principle of fiscal accountability and aims to promote integrity in public service, it also places considerable pressure on barangay treasurers who operate within resource-constrained environments. The fear of legal consequences—whether administrative, civil, or criminal—heightens the treasurer's responsibility to ensure absolute accuracy in financial documentation and reporting. This becomes increasingly demanding as treasurers must comply with the Commission on Audit (COA) reportorial requirements, which involve the preparation of detailed financial statements, submission of periodic reports, and adherence to frequently updated auditing guidelines. Many treasurers struggle to meet these expectations, especially when reports must be prepared without adequate training, standardized procedures, or modern financial tools. As a result, the combination of operational responsibilities and strict accountability measures creates a complex working environment where treasurers face significant risk, stress, and administrative burden. (*Republic Act No. 7160, 1991, Sec. 340)*

Collectively, Sections 389 and 340 illustrate the dual pressures experienced by Barangay Treasurers: the demanding nature of their financial management duties and the stringent accountability requirements attached to these responsibilities. The interaction of these provisions reveals the systemic gaps in local financial governance, particularly the lack of institutional mechanisms that could support treasurers in fulfilling their functions effectively. Addressing these challenges requires examining not only the legal framework but also the operational realities at the barangay level, highlighting the importance of institutional strengthening to ensure transparency, compliance, and efficiency in grassroots public financial administration.

The barangay operations across the country continue to rely on traditional manual systems—handwritten ledgers, paper-based vouchers, and conventional filing methods—which, while functional, introduce significant procedural vulnerabilities. This reliance on outdated processes persists in many barangay, particularly in rural, coastal, and geographically isolated communities where technological tools, financial training, and administrative support are often limited. These realities shape the everyday financial management practices of Barangay Treasurers and influence the challenges they encounter in executing their roles. Compounding these operational constraints are the stringent requirements set by the Commission on Audit (COA), which mandate timely and accurate preparation of financial reports such as the Statement of Cash Flows, Report of Collections and Deposits, and various disbursement and accountability forms. These requirements are designed to safeguard transparency and ensure the proper utilization of public funds. However, for many Barangay Treasurers, the complexity and volume of these reportorial obligations often exceed their available resources and competencies. The absence of standardized financial systems and the irregularity of capacity-building programs further contribute to delays, inaccuracies, and unintentional non-compliance. The discrepancy between mandated financial responsibilities and the practical realities in barangay heightens the potential for errors in reporting, misstatements in accounting, and lapses in documentation—all of which may be interpreted as administrative or legal violations.

The legal environment surrounding public financial accountability intensifies these challenges. Under the Revised Penal Code (RPC), Article 217 on Malversation of Public Funds and Article 218 on Failure of an Accountable Officer to Render Accounts impose severe consequences on public officers who misappropriate, misuse, or fail to properly account for government resources. These provisions apply fully to Barangay Treasurers, who are classified as accountable officers. What complicates the situation is that liability under these articles may arise not only from deliberate wrongdoing but also from negligence, oversight, or inability to comply with procedural requirements. In resource-constrained barangay where treasurers often perform multiple roles, lack clerical assistance, and work under manual processes, the risk of unintentionally committing accounting lapses is significantly higher. Consequently, the fear of being implicated in legal cases has become a growing concern among many Barangay Treasurers, especially those who are not formally trained in government accounting and auditing procedures.

*1.1. Background of the Study*

The barangay, as the smallest political unit in the Philippines, plays an essential role in the delivery of basic services, implementation of community programs, and promotion of participatory governance. Financial management within the barangay is critical to the success of these functions. With the increasing amount of funds flowing into barangay—such as the Internal Revenue Allotment (IRA), now transformed into the National Tax Allotment (NTA), and various grants from national and local agencies—the responsibility of the Barangay Treasurer has grown more extensive and complex.

The barangay serves as the basic political unit and foundation of governance in the Philippines, acting as the primary implementing mechanism of government policies, plans, and programs at the community level. Within this structure, the Barangay Treasurer holds a critical position in ensuring that local resources are properly managed, accounted for, and utilized in accordance with existing financial and auditing laws. As the custodian of the barangay's funds and property, the treasurer's duties include collecting revenues, issuing disbursements, maintaining financial records, and preparing periodic financial reports for submission to the Commission on Audit (COA) and other regulatory agencies. These responsibilities are fundamental to promoting transparency, accountability, and fiscal discipline in local governance. *(Republic Act No. 7160 or the Local Government Code of 1991)*

However, despite the importance of the position, many Barangay Treasurers face numerous predicaments that hinder the efficient execution of their financial duties and compliance with COA reportorial requirements. Among the common challenges are the lack of adequate technical training in accounting and auditing procedures, limited access to digital financial management systems, and insufficient institutional guidance in the implementation of COA standards. *(Dagohoy, 2021)*

Additionally, many treasurers simultaneously perform multiple administrative functions within the barangay, further straining their capacity to meet the increasing demands of financial documentation and reporting. These constraints often lead to delays in the preparation of financial statements, inconsistencies in bookkeeping, and errors in report submissions—issues that directly affect the credibility and reliability of barangay financial transactions.

The Commission on Audit (COA) plays a central role in ensuring that all public expenditures adhere to the principles of legality, efficiency, and transparency. To fulfill this mandate, COA has established strict reportorial requirements designed to monitor the utilization of public funds at all levels of government, including barangay. (Article IX-D of the 1987 Philippine Constitution). However, compliance with these requirements remains a challenge for many local officials, particularly those with limited exposure to formal financial management systems. The absence of standardized and institutionalized procedures across barangay further aggravates this situation, creating disparities in how financial records are prepared and reported. Consequently, some barangay experience audit observations, disallowances, or suspensions due to procedural lapses or incomplete documentation.

Recognizing these challenges, there is a growing need to institutionalize mechanisms that will strengthen the capacity of Barangay Treasurers to perform their financial functions effectively and in full compliance with COA standards. Institutionalization entails the development of formal systems, standardized policies, and structured capacity-building programs that will ensure consistency, transparency, and efficiency in financial management practices across barangay. Through such measures, local governance can be strengthened by minimizing financial discrepancies, enhancing audit readiness, and promoting public trust in the administration of barangay funds.

While the Local Government Code of 1991 legally mandates the functions and accountability of Barangay Treasurers specifically for Sections 340 and 389, in practice, many operate under manual systems and limited support, particularly in geographically isolated or under-resourced barangay. These conditions increase the risk of delays, errors, and lapses in compliance, exposing treasurers to legal liabilities under Articles 217 and 218 of the Revised Penal Code, even in cases of inadvertent mistakes.

Despite the structured reporting system mandated by COA, many Barangay Treasurers operate under constrained conditions, especially in under-resourced or geographically isolated barangay. Manual accounting practices, limited access to training, and inadequate technological infrastructure can impair their ability to comply fully with COA's reportorial requirements (such as timely submission of monthly financial reports). When reports are submitted late or are incomplete, this delay can impede COA's auditing process. As highlighted in compliance reviews, failure to submit required reports on time may lead to Notice of Disallowance from COA, a formal finding that disapproved transactions lack proper documentation. Moreover, inaccuracies — even if unintentional — expose Barangay Treasurers to serious accountability. Under the LGC, treasurers are under personal liability for losses, while COA's audit findings can trigger administrative, civil, or even criminal proceedings (e.g., through disallowance or suspension) if funds are deemed misused or not properly supported. The risk is heightened when structured controls are not fully implemented or when reportorial lapses hinder COA's ability to verify transactions in a timely manner. *(COA Circular No. 2019-001)*

To mitigate the risks faced by Barangay Treasurers and strengthen both efficiency and compliance with COA requirements, institutionalizing robust support structures is imperative. One critical approach is the digitalization of accounting systems tailored to barangay, which would incorporate COA's prescribed chart of accounts and reporting formats. This would reduce manual errors, accelerate transaction recording, and enable real-time reconciliation. Equally important is the continuous capacity-building of Barangay Treasurers and their supporting staff through regular training programs on COA standards, report preparation, and internal control procedures, ensuring they can effectively operationalize the Manual on Financial Management for Barangay (MFMB). Strengthened internal controls through standardized operating procedures for disbursement, documentation, and filing — including proper issuance of the Punong Barangay Certification and Disbursement Vouchers — would further safeguard against procedural lapses. Additionally, establishing local monitoring and oversight mechanisms, such as municipal or city-level support units to review reports before COA submission, would help identify risk areas early and provide corrective guidance. Collectively, these institutionalized measures would not only reduce the vulnerability of Barangay Treasurers to audit or legal liabilities but also promote accuracy, timeliness, and transparency in barangay financial operations.

Institutionalizing these reforms provides multidimensional benefits beyond protecting Barangay Treasurers from legal and audit liabilities. By embedding digital systems, standardized procedures, and ongoing training into routine operations, financial transactions are systematically documented, verified, and reported in accordance with COA standards. This enhances transparency, enabling local officials and constituents to access accurate, reliable financial information, which fosters public trust. Accurate and timely reporting also improves resource utilization by allowing informed decision-making in budgeting and program implementation, minimizing wastage, and ensuring resources are directed toward priority services. Furthermore, these reforms strengthen resilience in local governance by providing predictable and accountable financial management, which supports efficient service delivery even in underserved communities. In this way, institutionalization not only safeguards individual treasurers but also reinforces the integrity, responsiveness, and sustainability of grassroots governance, aligning local financial management with national objectives of good governance, transparency, and public accountability.

### *1.2. Theoretical Framework*

The understanding of public financial management and governance in barangay is enriched by integrating multiple theoretical perspectives. These perspectives shed light on how accountability, institutional contexts, and capacity-building intersect to influence the effectiveness of local government officials in managing public resources. Research demonstrates that effective financial management in barangay is influenced by factors such as awareness, participation in budget processes, capacity-building initiatives, and adherence to institutional norms *(Villamor et al., 2025).*

Public Accountability Theory (Mark Bovens) emphasizes the duty of public officials to be answerable for the proper management of government resources. Legal provisions such as Sections 340 and 389 of RA 7160, alongside Articles 217 and 218 of the Revised Penal Code, concretize this responsibility, ensuring transparency and accountability in the stewardship of public funds. This theory is crucial in fostering public trust and deterring misuse of resources by making officials liable for their actions. Further explores this dimension by reviewing 25 years of accountability research in public administration, underscoring the evolving mechanisms of accountability and their relevance in governance contexts like the Philippines *(Pérez-Durán, 2024).*

Institutional Theory (Meyer and Rowan) offers insight into how organizational behaviors and practices are not solely the result of individual actions but are deeply shaped by established institutional norms, rules, and structures. In the context of barangay governance, studies underscore that structural factors such as limited resources, political dynamics, and insufficient training contribute to observed deficiencies in local financial management, emphasizing the need for institutional reforms and strengthening participatory governance and fiscal accountability *(Malajos, 2024).*

Capacity-Building Theory highlights the importance of equipping public officials—such as Barangay Treasurers—with the necessary skills, training, and institutional support to perform their duties competently. Training programs and resource provision are essential to empower officials to meet their responsibilities effectively, thereby enhancing overall governance quality. Research points to the direct link between structured capacity-building initiatives and improved governance performance and public service delivery at the barangay level *(Villamor et al., 2025).*

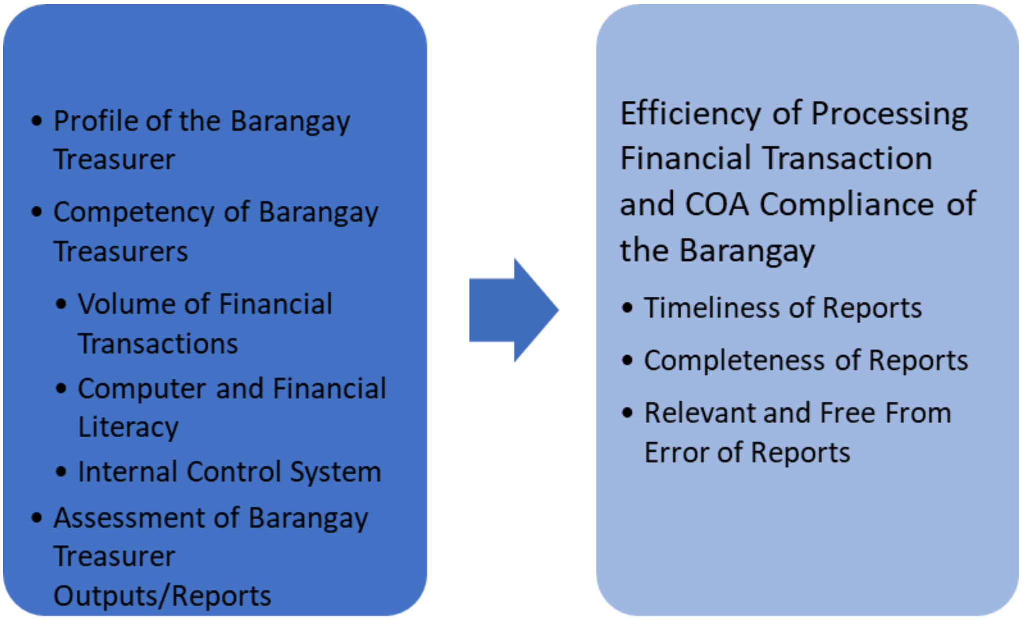
Together, these theories provide a comprehensive framework that addresses the legal, organizational, and developmental dimensions of local public financial management, reinforcing the importance of accountability mechanisms, institutional context, and capacity enhancement in achieving good governance outcomes. This integrated approach guides both scholarly understanding and practical reform efforts to improve financial management and service delivery at the barangay level (*Villamor et al., 2025; Pérez-Durán, 2024; Malajos, 2024).*

*1.3. Conceptual Framework*

This section discusses the concepts of this study explores the level of efficiency of Barangay Treasurer. Barangay Treasurers face significant challenges in efficiently managing financial transactions and fulfilling audit reportorial requirements. These challenges include handling complex financial documentation, ensuring compliance with accounting standards, and preparing comprehensive reports for auditing bodies like the Commission on Audit (COA). Often, these difficulties are exacerbated by limited training, insufficient resources, and administrative burdens that hinder the timely and accurate processing of financial data. Moreover, the pressure to maintain transparency and accountability while navigating these operational obstacles can cause stress and inefficiencies. Addressing these issues requires not only capacity-building efforts but also institutional support to standardize processes and provide clear guidelines, enabling treasurers to manage funds effectively and meet regulatory demands. Such institutionalization is vital for improving financial management practices at the grassroots level and fostering trust in local governance. It primarily discusses issues encounter during the financial process and submission of reportorial requirements.

INDEPENDENT VARIABLE

DEPENDENT VARIABLE




The profile and level of competency of Barangay Treasurers are crucial factors influencing the efficiency and accountability of local financial management. Research conducted in the Philippines reveals that Barangay Treasurers generally exhibit moderate to high levels of competency in various domains, including knowledge, skills, and behavior. In terms of knowledge, they are well-versed in the sources of barangay income, relevant laws and regulations, and procedural manuals essential for managing funds and complying with documentary requirements. Their skills include the ability to handle cash, prepare financial summaries, and execute collections, deposits, and disbursements accurately. Behavioral competencies, such as professionalism and ethical responsibility, further contribute to the effective performance of their duties. Assessment studies show a positive correlation between these competency areas and the quality of financial outputs, including timely and accurate COA reportorial documents.

These competency findings are aligned with the earlier theoretical framework. Public Accountability Theory posits that such knowledge and ethical behavior reinforce the Barangay Treasurer's capacity to be transparent and responsible in managing public resources, complying with RA 7160 and the Revised Penal Code. Institutional Theory is reflected in how organizational norms and structures influence their work processes and the challenges they face, affirming that competency development cannot be isolated from the institutional context. Meanwhile, Capacity-Building Theory highlights the need for continuous training and resource support to maintain and enhance these competencies, ensuring that Barangay Treasurers can effectively meet the demands of financial management and reporting.

Thus, research affirms that a well-designed competency development program, supported by institutional reforms and accountability mechanisms, is essential for strengthening the fiscal management capacity of Barangay Treasurers and achieving good governance at the grassroots level *(Dela Cruz et al., 2024; Villamor et al., 2025; Caldo, 2015).*

### *1.4. Scope and Limitation*

The study focuses on Barangay Treasurers in the Municipal Government of Los Baños. It covers financial transaction processes and COA reportorial compliance for the current fiscal year.

This study assessed the competency and efficiency of Barangay Treasurers, focusing on competency in terms of financial literacy, computer literacy, and internal control practices, as well as efficiency in the performance of their duties and responsibilities. The study also examined the relationship between competency and efficiency among Barangay Treasurers. The research was conducted during the calendar year 2026.

The respondents of the study were Barangay Treasurers from selected barangay within the identified study area. The selection of respondents was based on purposive sampling, ensuring that only individuals directly performing the role of Barangay Treasurer were included in the study. Other barangay officials and personnel not holding the position of treasurer were excluded from the scope of the study.

The study employed a quantitative research design, specifically descriptive-correlational in nature, to analyze the variables under investigation. The profile of the respondents, their level of competency, and their level of efficiency were described using frequency and percentage distribution and weighted mean. Furthermore, the significant relationship between competency and efficiency was determined using the Pearson product-moment correlation coefficient.

The findings of this study are limited to the responses of the selected Barangay Treasurers within the study locale and are based on the information provided through the survey questionnaire. As such, generalizations to other local government positions or geographical areas should be made with caution.

### *1.5. Statement of the Problem*

This study aims to assess the level of efficiency of the barangay treasurers in the Municipal Government of Los Baños, Laguna and determine its relationship to the efficiency of financial transactions and Commission on Audit (COA) compliance. Specifically, the study sought to answer the following questions:

1. What is the profile of the respondents in terms of:
   - 1.1. Age;
   - 1.2. Gender;
   - 1.3. Number of Years in Barangay; and
   - 1.4. Position?
2. What is the Level of Competency of Barangay Treasurers:
   - 2.1. Volume of Financial Transactions;
   - 2.2. Computer and Financial Literacy; and
   - 2.3. Internal Control System?
3. What is the Level of Efficiency of Barangay Treasurers:
   - 3.1. Timeliness of Reports;
   - 3.2. Completeness of Reports; and
   - 3.3. Relevant and Free From Error of Reports?
4. Is there significant relationship on Level of Competency and Level of Efficiency of Barangay Treasurers?

### *1.6. Hypothesis*

There is no significant relationship between Level of Competency of Barangay Treasurers and the Efficiency of Barangay Treasurers.

### *1.7. Significance of the Study*

The study focused on critical challenges experienced by barangay, Barangay Treasurers, and the Commission on Audit (COA) in the effective management and accountability of local funds. Barangay frequently face difficulties arising from limited resources and capacity constraints that impact their ability to manage financial transactions efficiently and uphold transparency, thereby affecting community development and governance outcomes. The COA mandates comprehensive reportorial compliance to ensure the proper use of public funds, but barangay offices often grapple with documentation completeness, timely submissions, and technical proficiency gaps. Barangay Treasurers, as the primary financial officers, encounter procedural complexities and limited formal training, which hinder their capability to produce accurate, timely financial reports and comply with COA requirements. Institutionalizing capacity-building programs and streamlining processes for Treasurer operations are imperative to enhance financial management efficiency and reliability. This predicament highlights key areas where future researchers can explore innovative interventions like digital financial systems and community participation mechanisms, while policymakers are provided crucial data to develop evidence-based frameworks for continuous training, stronger accountability mechanisms, and standardized procedures. The multifaceted challenges and proposed solutions collectively underscore the need for institutional reforms to empower barangay and their financial officers toward sustainable, transparent, and accountable governance.

**Barangay -** Barangay encounter various challenges in managing financial transactions efficiently, primarily due to limited resources and capacity constraints that affect overall service delivery. Strengthening financial management capabilities within barangay is essential to promote transparency and accountability, which in turn enhances community development and local governance effectiveness. Existing research highlights the critical importance of capacity-building programs and adequate resource allocation for improved fiscal management at this grassroots level *(San Jose City study, 2021; Concepcion, Tarlac case, 2024).*

**Commission On Audit (COA) - T**he Commission on Audit enforces mandatory reportorial requirements aimed at ensuring the proper utilization and accountability of public funds. Compliance with these requirements is often hampered by difficulties in documentation completeness, timely submissions, and gaps in technical knowledge—issues particularly prominent in resource-limited barangay offices. Studies recommend the implementation of tailored training and institutional support programs to assist barangay in meeting COA standards and sustaining good governance practices *(San Jose City study, 2021; Olongapo City competency study, 2025).*

**Barangay Treasurers -** Barangay Treasurers are the frontline officers responsible for managing local funds, preparing financial reports, and ensuring adherence to COA guidelines. Despite their vital role, many treasurers face challenges such as complex administrative processes, insufficient formal training, and limited access to updated financial management tools. Assessment of their competencies reveals a need for institutionalized capacity-building initiatives and procedural streamlining to enhance their efficiency and accountability. Empirical data from multiple Philippine localities show that improving treasurers' skills positively influences the accuracy and timeliness of financial outputs *(Tangub City study, 2025; Olongapo City competency study, 2025).*

**Future Researchers -** For future researchers, this body of work provides a foundational platform for investigating innovative interventions that can enhance barangay financial governance. Areas such as digital budgeting systems, community-driven financial monitoring, and culturally sensitive training programs warrant deeper exploration. Further studies can also examine factors influencing competency development among treasurers to identify best practices for capacity enhancement *(San Jose City study, 2021; AIJBM financial literacy study, 2024).*

**Policymakers -** Policymakers can leverage the findings to formulate evidence-based policies that institutionalize continuous training, improve regulatory frameworks, and standardize reporting processes for barangay. Such policy interventions are crucial for enhancing fiscal discipline, reducing administrative burdens, and ensuring that barangay can fulfill their fiduciary and developmental mandates effectively. Institutional support aligned with accountability mechanisms can significantly strengthen grassroots governance *(San Jose City study, 2021; Olongapo City competency study, 2025).*

*1.8. Definition of Terms*

The following terms are defined operationally to provide clarity and common understanding of the concepts discussed in relation to the study.

**Age**. Refers to the chronological number of years a Barangay Treasurer or respondent has lived from birth up to their last birthday. In this study, age is used as a demographic variable to examine whether generational differences influence the performance of financial tasks, adaptability to COA reporting requirements, and responsiveness to institutional reforms.

**Barangay Treasurer**. Refers to the official in the barangay government authorized to manage, collect, safeguard, and disburse funds. The Barangay Treasurer is responsible for maintaining accurate financial records and complying with local government financial policies and COA reportorial requirements.

**Behavior**. Refers to the attitudes, work ethics, values, and professional conduct exhibited by a Barangay Treasurer or respondent in the performance of their duties. This includes accountability, diligence, integrity, attention to detail, adherence to procedures, and willingness to comply with COA and internal control requirements. Behavior as a competency factor influences the consistency, reliability, and transparency of financial management practices.

**COA Reportorial Requirements**. These are the mandatory financial reports and documents required by the Commission on Audit (COA) to be submitted by the barangay. They serve as proof of proper management and use of public funds and include reports such as the Statement of Receipts and Expenditures and Disbursement Vouchers.

**Completeness**. Refers to the extent to which all required financial documents, attachments, schedules, and supporting records are fully included in the reports submitted by the Barangay Treasurer. Completeness ensures that no mandatory information—such as receipts, vouchers, ledgers, certifications, and reconciliations—is missing. It reflects adherence to COA's documentary requirements and enables auditors to properly evaluate the accuracy and legality of transactions.

**Computer and Financial Literacy**. Refers to the knowledge and technical skills of Barangay Treasurers in using computer applications and understanding financial management principles necessary for financial reporting and compliance.

**Efficiency**. The ability of the Barangay Treasurer to perform financial duties promptly and accurately with minimal errors or delays, especially in relation to reportorial compliance.

**Financial Transactions**. Encompasses all activities related to the receipt, disbursement, and recording of funds within the barangay. This includes collection of taxes and fees, issuance of official receipts, cashiering, banking deposits, and payment of expenses.

**Gender**. Refers to the self-identified classification of respondents as male, female, or other gender identity recognized by the individual. This variable helps analyze potential differences in role performance, workload distribution, or challenges experienced by Barangay Treasurers in fulfilling financial and reportorial responsibilities.

**Institutionalization**. The process of establishing standardized procedures and practices aimed at sustaining efficient financial management and compliance with auditing standards within the barangay administration.

**Internal Control System.** Refers to the policies, procedures, and control measures implemented to ensure accountability, accuracy, compliance and proper safeguarding of public funds and records.

**Number of Years in the Barangay**. Refers to the total length of time, measured in years, that the respondent has served in the barangay in any capacity, including as Barangay Treasurer or in other administrative or elective positions. This variable is used to determine how experience and tenure influence familiarity with financial procedures, compliance with COA requirements, and overall competence in performing barangay fiscal management tasks.

**Predicament**. In this study, it refers to the challenges, difficulties, or problems experienced by the Barangay Treasurer in carrying out efficient financial transactions and fulfilling COA reportorial mandates.

**Position.** Refers to the official role or designation held by the respondent within the barangay organizational structure, such as Barangay Treasurer, Barangay Secretary, Punong Barangay, or other

IJRP.ORG International Journal of Research Publications ISSN: 2708-3578 (Online)


administrative or supervisory positions. Identifying a respondent's position helps establish their specific duties, accountability, and level of involvement in financial transactions and reportorial processes.

**Relevance.** Means the data presented are appropriate and useful for evaluating financial performance and accountability.

**Timeliness.** Refers to the prompt submission of required financial documents and COA reportorial requirements within the prescribed deadlines set by governing agencies such as the Commission on Audit (COA) and the Department of the Interior and Local Government (DILG). Timeliness indicates the ability of the Barangay Treasurer to process, finalize, and transmit reports without delay, ensuring that financial information is available when needed for decision-making, audit review, and compliance monitoring.

*1.9. Review of Related Literate and Studies*

The research review based on a variety of sources, such as books, journals, unpublished materials, and online sources, is presented in this section.

1.9.1. Related Literature

The Department of the Interior and Local Government (DILG, 2021) outlines that the Barangay Treasurer serves as the primary custodian of barangay funds and properties. They are responsible for issuing official receipts for all collections of taxes, fees, and contributions due to the barangay. The Treasurer must deposit these revenues within prescribed timelines, typically five days, to the city or municipal treasurer or authorized depository bank. Effective cash controls are mandated to prevent mismanagement and ensure financial accountability at the grassroots level. Regular report submissions to higher authorities' form part of their oversight duties. DILG emphasizes the Treasurer's role in maintaining transparency through accurate record-keeping. Capacity-building programs are recommended to address performance gaps in remote areas. The guidelines highlight coordination with the Punong Barangay for budget execution. Bonding requirements protect public funds from potential losses. These provisions underscore the Treasurer's frontline position in local fiscal governance. *(Department of the Interior and Local Government, 2022)*

Republic Act 7160, the Local Government Code of 1991, Section 395 explicitly defines the Barangay Treasurer's appointment by the Punong Barangay with Sangguniang Barangay concurrence. The Treasurer must be of legal age, a qualified voter, and an actual resident of the barangay. They are prohibited from being a Sangguniang member, government employee, or relative of the Punong Barangay within the fourth civil degree. Bonding is required up to P10,000 with premiums paid by the barangay to safeguard public funds. Core duties include keeping custody of all barangay funds and properties. They collect taxes, fees, contributions, and issue official receipts for all resources accruing to the treasury. Collections must be deposited per Title Five, Book II provisions. Disbursements follow approved financial procedures and barangay budgets. Annual income-expenditure statements are submitted to the Punong Barangay. End-of-year accounting reports must be available to the barangay assembly and agencies. *(Local Government Code of the Philippines - RA 7160)*

DILG Region 1 (2020) documentation specifies the Barangay Treasurer's bonding obligation under existing laws, capped at P10,000 as determined by the Sangguniang Barangay. Premiums for this bond are fully covered by barangay funds to ensure fiscal protection. This requirement holds the Treasurer accountable for negligence, misconduct, or losses in fund handling. Regional guidelines stress safeguarding revenue collections and accountable forms diligently. Treasurers must maintain separate books for general funds and special accounts. Deposit timelines of five days to authorized depositories are strictly enforced. Cash controls prevent unauthorized advances or shortages. Coordination with municipal treasurers for remittances is mandatory. Training on these fiduciary duties is encouraged for compliance. The bonding underscores grassroots accountability in financial operations. (*DILG Region 1, 2020)*

Olongapo City LGU (2025) studies reveal significant variation in Barangay Treasurers' educational backgrounds and formal qualifications. Appointments rely on local selection processes rather than civil service exams, affecting competency levels. This variability particularly impacts performance in COA reportorial compliance and transparency maintenance. Remote barangay face exacerbated challenges due to limited capacity-building access. Treasurers struggle with complex documentation like Statements of Receipts and Expenditures. Local data shows middle-aged females dominating the role with college education. Training participation enhances financial literacy but remains inconsistent. Institutional support is recommended for standardization. Performance gaps lead to audit disallowances and delays. Reforms advocate for mandatory competency assessments. *(Olongapo City LGU, 2025)*

A study identifies inconsistent qualifications among Barangay Treasurers causing performance disparities across regions. Remote barangay suffer most from scarce resources and infrequent training opportunities. Treasurers encounter predicaments in fund collection efficiency and accurate record-keeping. COA compliance becomes challenging due to procedural unfamiliarity and documentation burdens. The study documents delays in report submissions impacting audit cycles. Limited digital tools hinder modern financial tracking. Community trust erodes from perceived transparency lapses. Recommendations include localized capacity programs. Variability affects disbursement accuracy per budgets. Institutionalization of best practices is urged for uniformity. *(pidspjd09-2barangay, 2025)*

Maasin City Study (2025) positions the Barangay Treasurer as frontline enforcer of transparency amid resource constraints. Common predicaments include delayed COA reporting and documentation errors from capacity deficits. Administrative burdens overwhelm treasurers handling multiple roles. The study finds training significantly improves compliance rates. Financial literacy gaps lead to frequent audit findings. Middle-aged treasurers with tenure show better familiarity but need updates. Bonding protects against fiduciary risks effectively. Streamlined processes are advocated for efficiency. Community engagement enhances accountability perception. Institutional reforms promise sustainable governance improvemen. *(Maasin City Study, 2025)*

Complementing the LGC, the Commission on Audit has issued detailed rules and standards for barangay financial management. Notably, COA promulgated the Manual on Financial Management for Barangay (MFMB), which aligns barangay accounting practices with the Philippine Public Sector Accounting Standards (PPSAS). The Manual requires Barangay Treasurers to use a prescribed Chart of Accounts, maintain journals, ledgers, and other accounting documents, and report in formats consistent with PPSAS. Further, the MFMB outlines the frequency and form of required reports: it mandates monthly, quarterly, and annual financial statements, as well as the submission of a Report of Accountability for Accountable Forms (RAAF) that tracks the issuance and disposition of official receipts, checks, and other officer-accountable forms. This ensures that every financial transaction — from petty cash to large disbursements — is properly documented and traceable. *(COA Circular No. 2015-011)*

This convergence of limited resources, strict audit demands, and punitive legal provisions creates a challenging environment that affects the efficiency of financial transactions and the integrity of local governance. The predicament of Barangay Treasurers is therefore not merely an individual competency issue but a systemic governance concerns that points to the need for institutional reforms. These may include the standardization of financial processes, integration of digital accounting systems, enhancement of financial literacy training, and establishment of support structures that reduce the operational burden on treasurers. *(Article 217 and 218 of the Revised Penal Code)*

To guard against misuse or irregularities, COA has established control mechanisms governing how barangay disburse funds. One important policy which COA embodied, which revoked an earlier circular and replaced it with a requirement that every disbursement be backed by (1) a properly certified Disbursement Voucher (DV), (2) supporting documents, (3) a Punong Barangay Certification (PBC), and (4) a COA Auditor's Advice (CAA). The PBC, signed under oath by the Punong Barangay, certifies the validity of the disbursement, while the CAA is issued by COA auditors to depository banks, enabling checks to be honored. This dual-layered certification is meant to ensure both local responsibility and external audit oversight. *(COA Circular 2012-005)*

Competency assessments in Olongapo City demonstrate that Barangay Treasurers exhibit high competence in knowledge of income sources, disbursement procedures, and relevant laws. They show strong adherence to documentary compliance requirements for COA audits. The study utilized descriptive methods involving barangay officials and auditors to evaluate these competencies. Treasurers were rated highly in

skills for handling figures, cash management, and preparing summary reports on collections and deposits. 
Professional behavior in fund and property management was consistently observed as very satisfactory. However, gaps exist in advanced accounting principles and NGAS compliance, particularly for complex transactions. Rural barangay within the city face greater challenges due to limited technology access. These competency levels directly impact efficient financial transactions and timely COA reporting. Continuous training is recommended to address identified weaknesses. Institutionalization of standardized assessments can enhance overall performance. *(Olongapo City LGU, 2025)*

A study that employed descriptive-survey methods to assess Barangay Treasurers' competencies across regions. Treasurers scored highly in knowledge, skills, and professional behavior in managing funds and properties. Very high competence was noted in understanding sources of income and expenses, as well as systems and procedures manuals. Familiarity with laws, regulations, and documentary requirements supports effective collecting and disbursing roles. Skills in cash handling and report preparation were rated very high by respondents. Behavior during duty performance received strong satisfaction ratings from stakeholders. Effective management of cash controls and property was correlated with overall competency. However, rural areas show pronounced gaps in technology use and advanced accounting. These findings confirm high baseline competencies with room for targeted improvements. Capacity-building programs are proposed based on these results. (*pidspjd09-2barangay, 2025)*

Maasin City research on Barangay Treasurers reveals strong awareness of duties under the Local Government Code. Accounting proficiency in preparing financial reports shows moderate to high levels among respondents. Profiles indicate variation by age, education, and service length influencing performance. Problems in NGAS compliance and financial statement accuracy persist due to capacity issues. Treasurers demonstrate competence in basic budgeting and reporting but struggle with advanced principles. Rural settings exacerbate gaps in resource access and training. The study advocates intervention programs to boost literacy and compliance. Competency directly affects COA reportorial efficiency and transaction accuracy. Educational attainment correlates positively with prompt document submission. Institutional support is essential for sustaining improvements. *(Maasin City Study, 2025)*

The Quirino Province study assessed personal and work competencies of 99 Barangay Treasurers using a reliable survey adapted from Olongapo research. Treasurers were rated "Moderately Competent" in personal aspects including knowledge, skills, and behavior. Work competency in collections, deposits, and disbursements also achieved moderate levels. No significant differences existed by age, sex, education, or years of service. However, civil status showed differences in behavior and disbursements. A strong positive correlation linked personal and work competencies. Rural municipalities highlighted technology and advanced accounting gaps. These moderate competencies impact financial transaction efficiency. Enhancement programs were proposed for treasury operations. Findings support institutionalization needs for uniform capacity. *(Quirino Province Study, 2024)*

Tangub City research evaluated financial management skills of Barangay Treasurers using descriptive-comparative design. Treasurers showed competence in public fund management and report preparation. Fiscal accountability at community level was generally maintained. However, gaps in advanced skills affected COA compliance. Procedural improvements are needed for stringent reportorial requirements. Continuous training addresses identified weaknesses in rural contexts. Competency levels influence disbursement accuracy and transparency. Resource access remains a barrier in less developed areas. The study recommends targeted capacity-building initiatives. Institutional frameworks can standardize practices across LGUs. *(Tangub City Study, 2025)*

Report identifies Barangay Treasurer outputs like monthly collections reports, deposit summaries, and liquidation documents as essential for COA auditing processes. Incomplete or improperly submitted documents frequently create bottlenecks that delay audit cycles and increase disallowance risks. Manual processing systems contribute significantly to these inconsistencies and submission errors. Treasurers in rural areas face heightened challenges due to limited digital literacy and resource access. The study notes that accurate fund utilization accounts are crucial for verifying compliance with disbursement protocols. Delays in report submission undermine transparency and stakeholder trust in barangay finances. Standardized templates and digital submission platforms are recommended to mitigate these issues. Training on document completeness directly improves audit outcomes and reduces financial mismanagement risks. The findings emphasize institutionalizing quality control measures for all reportorial outputs. Enhanced technological support would streamline the entire reporting workflow. *(pidspjd09-2barangay, 2025)*

The Pagadian City study reveals discrepancies between Barangay Treasurers' reported practices and actual document submissions observed during research. Monthly reports and disbursement vouchers often arrive incomplete at city accounting offices, contradicting treasurers' self-assessments. Qualitative analysis of transmittal letters and liquidation documents confirms persistent gaps in documentation standards. Manual record-keeping exacerbates errors in deposit summaries and fund utilization tracking. Treasurers acknowledge administrative hurdles but struggle with consistent compliance during COA audits. The research accessed DILG-submitted outputs to validate these observations firsthand. Grievance management issues compound paperwork delays during peak reporting periods. Standardized protocols are urgently needed to align practices with submission requirements. Technological interventions could bridge the gap between knowledge and execution. Institutional capacity-building addresses these systemic reporting weaknesses. (*Describing the Practices of Barangay Treasurers, 2021)*

COA-related audits across Philippine barangay consistently flag delays and inconsistencies in Barangay Treasurer financial outputs. Monthly collections reports frequently lack supporting receipts, hindering verification processes. Liquidation documents show common errors from manual computations and incomplete attachments. Deposit summaries often fail to match bank reconciliations, triggering disallowances. Fund utilization accounts reveal discrepancies in budget vs. actual spending documentation. Rural treasurers exhibit greater variances due to limited digital tools and training. Audit observations recommend automated reporting systems for real-time accuracy. Standardized checklists would minimize submission bottlenecks. Timely, complete outputs are vital for passing COA scrutiny without notices of suspension. Institutional reforms must prioritize digital literacy to sustain compliance. (*Related Audits, 2024)*

Efficiency in financial transactions among Olongapo City Barangay Treasurers varies due to competency differences in accounting literacy. Collections and disbursements proceed effectively for basic operations but reconciliation tasks reveal gaps. Timeliness of COA report submissions suffers from manual processing limitations. Technology access hampers completeness of required documentation. NGAS compliance remains inconsistent particularly in complex reporting. Adverse COA findings correlate with delayed submissions and incomplete records. Competency assessments link higher skills to better efficiency metrics. Standardized systems would address procedural stumbling blocks. Regular mentoring programs enhance reportorial accuracy. Institutionalization promotes consistent fiscal accountability across barangay. *(Olongapo City LGU, 2025)*

Maasin City research shows Barangay Treasurers manage collections effectively but struggle with accounting literacy demands. Disbursement procedures meet basic standards yet NGAS compliance lags. Report timeliness issues stem from limited technology integration. Competency levels directly influence financial transaction efficiency. Delayed submissions increase COA adverse findings frequency. Educational backgrounds affect proficiency in reconciliation tasks. Rural treasurers face amplified challenges from resource scarcity. Standardized reporting templates improve output quality. Capacity-building bridges literacy gaps effectively. Mentoring sustains long-term compliance improvements. (*Maasin City Study, 2025)*

A study reveals wide efficiency variations in COA reportorial compliance across regions. Treasurers demonstrate strong basic transaction handling but advanced accounting challenges persist. Manual systems contribute to submission delays and inconsistencies. Rural areas exhibit pronounced technology access barriers. Competency gaps manifest in NGAS application difficulties. Inefficiencies elevate financial disallowance risks significantly. Descriptive surveys correlate skills with reporting timeliness. Standardized protocols mitigate procedural inefficiencies. Regular assessments identify targeted training needs. Institutional measures ensure sustained efficiency gains. (*pidspjd09-2barangay, 2025)*

Tangub City analysis indicates Barangay Treasurers achieve high efficiency in collections and deposits. Disbursement accuracy meets expectations but NGAS reporting lags. Technology limitations hinder timely COA submissions. Competency influences overall transaction workflow effectiveness. Rural-urban disparities affect resource utilization. Adverse findings link to accounting literacy gaps. Standardized procedures enhance report completeness. Regular training elevates compliance rates significantly. Mentoring programs sustain performance improvements. Institutional frameworks promote accountability consistency. (*Tangub City Study, 2025)*

Effective financial management is essential in ensuring transparency, accountability, and proper utilization of public funds in local government units. It involves the ability to manage financial transactions, prepare reports, and comply with regulatory standards. Competency, therefore, plays a crucial role in enabling Barangay Treasurers to perform these responsibilities efficiently. Also, Barangay Officials with higher levels of financial competency demonstrate greater accuracy and timeliness in financial reporting. The skills in handling financial transactions, such as documentation, reconciliation, and record-keeping, significantly contribute to improved efficiency and accountability. *(Dela Cruz et al., 2024)*

In modern public administration setting, computer and financial literacy are essential components of competency. Financial literacy enables officials to understand and apply financial concepts, while computer literacy allows them to utilize digital tools for processing and reporting financial data. A barangay treasurer with higher levels of financial and computer literacy are better equipped to manage financial records and comply with reporting requirements. However, gaps in technical knowledge may lead to delays and inaccuracies in reporting. Furthermore. the integration of technology in financial systems has been shown to improve efficiency, but its effectiveness depends on the users' level of competency. *(Villamor et al., 2025)*

Efficiency in financial reporting refers to the ability to produce reports that are timely, complete, and accurate. These elements are essential in ensuring compliance with regulatory requirements and supporting decision making authorities. A timely and accurate reporting is crucial for effective auditing and accountability. Delays or inaccuracies may result in compliance issues and reduced transparency. *(COA, 2020)*

Internal control systems are critical in ensuring the accuracy, reliability, and integrity of financial operations. These systems include policies and procedures designed to safeguard assets, prevent fraud, and ensure compliance with laws and regulations. A strong internal control systems significantly improve financial reporting quality and accountability in local government units. Their study highlighted that effective control measures lead to better monitoring of financial transactions and reduced errors. *(Villamor et al., 2025)*

International literature highlights that effective public financial management (PFM) is a critical determinant of transparency, accountability, and service delivery in local governments. A weak financial system, particularly those reliant on manual processes are highly prone to inefficiencies, delays, and errors in reporting. The organization emphasizes that digital financial management systems significantly improve accuracy, timeliness, and audit compliance by automating processes and standardizing reporting format. Thes findings are relevant to barangay contexts where manual systems remain prevalent, suggesting that digital transformation is a key factor in improving financial governance at the local level *(World bank, 2020)*

Further, a strong institutional frameworks and capacity-building initiatives are essential in ensuring effective public financial management. Studies show that local government units in developing countries often struggle with limited technical expertise, weak internal controls, and inconsistent reporting standards, which lead to poor compliance with auditing requirements. It recommends continuous training, clear procedural guidelines, and institutional strengthening as key strategies to improve financial accountability and reporting efficiency. *(IMF, 2019)*

Research conducted in African local governments found that financial management inefficiencies are largely attributed to inadequate skills, lack of training, and absence of standardized accounting systems. The local finance officers frequently encounter difficulties in preparing financial statements and complying with audit requirements due to limited knowledge of accounting principles. It further concluded that enhancing technical competencies through structured training programs significantly improves financial reporting accuracy and accountability. *(Adegite, 2020)*

The research on public sector accountability in European local governments highlights the importance of transparency mechanisms and audit systems in strengthening public trust. The study found that governments with well established financial reporting systems and strict audit compliance frameworks exhibit higher levels of transparency and reduced incidence of financial irregularities. It also emphasized that accountability is strengthened when financial information is accessible, accurate, and regularly updated. *(Perer-Duran, 2024)*

The integration of local and international studies reveals a consistent patter in public financial management across different contexts. Both Philippines and foreign literature highlight that while local finance officers possess fundamental competencies, they face challenges in advances accounting practices, reportorial compliance, and adapting to digital systems. International studies further emphasize that these challenges are not unique to the Philippines but are common among local governments in developing countries, where limited resources, insufficient training, and weak institutional support persist. The convergence of these findings underscores that improving financial management efficiency requires a holistic approach that combines competency development, digital transformation, and institutional strengthening to ensure transparency, accountability, and effectiveness of the government. *(Villamor et al., 2025; IMF, 2019)*

## 2. Methodology

The research methodology that was applied throughout the entire study is presented in this chapter. This includes the research procedure, research instrument, population and sampling techniques, research design, and statistical analysis of the data.

### *2.1. Research Design*

The researcher used the descriptive research design to determine the level of efficiency of Barangay Treasurer of the Municipal Government of Los Baños, Laguna. Furthermore, the study employed a quantitative approach using a descriptive-correlational research design. It aimed to determine the profile, competency, and efficiency of Barangay Treasurers, as well as the significant relationship between competency and efficiency. Data were gathered through a structured survey questionnaire and analyzed using statistical tools such as frequency, percentage, and weighted mean,

According to Hancock et. al. (2019), quantitative research design is a strategy that lays the foundation for integrating all elements of quantitative approach so that results are reliable, bias-free, and generalized as much as possible. Moreover, Bloomfield and Fisher (2019) define descriptive research design as a method of investigating current phenomena with extreme precision and explaining precisely what researchers have observed.

The purpose of descriptive research is to determine the level of efficiency of Barangay Treasurer of the Municipality of Los Baños, Laguna, thru the compliance of COA reportorial requirements and processing the financial transactions of the Barangay.

One kind of research design that seeks to methodically gather data in order to characterize a situation, population, or phenomenon is called descriptive research design. Through observation and data collection on a particular subject, descriptive research offers valuable insights that can guide future investigations and aids in researchers' understanding of a particular problem. When using a descriptive research design, a topic is observed, and data is gathered without an attempt to infer cause-and-effect relationships. Descriptive research aims to characterize the relationships, patterns, and trends found in the data while presenting a thorough and accurate picture of the population or phenomenon under study.

Surveys, observational studies, and case studies are examples of descriptive research methods. Both qualitative and quantitative data can be gathered. Descriptive research yields insightful information that guides future investigations, but it does not prove causation.

### *2.2. Respondents of the Study*

The respondents of the study were composed of 100 respondents which are Barangay Treasurer, Elective Officials, and Barangay Personnel which were randomly selected.

The table 1 shows the frequency distribution of the respondents. One hundred fifty respondents came from each district which resulting to the total of 100 respondents.

**Table 1. Frequency Distribution of the Respondents**

| Category | Population (N) | Sample Size (n) |
|---|---|---|
| Treasurer | 14 | 14 |
| Elected Officials | 112 | 70 |
| Personnel | 20 | 16 |
| **Total** | **146** | **100** |

The statistical random sampling is technique where researchers select participants based on specific criteria relevant to the research question. It is a deliberate and strategic approach to selecting a sample that is informative and representative of the target population.

The study included one Barangay Treasurer from each of the fourteen (14) Barangay. They were the primary respondents because they are directly responsible for collecting revenues, safeguarding barangay funds, preparing disbursements, maintaining financial records, and submitting required reports to the Commission on Audit (COA) and other requiring agencies.

Further, the elected officials, the total population consisted of 112 barangay elected official from the 14 barangay, of which 70 respondents participated, representing 62.50% of the total population. Furthermore, for the personnel, four employees from each of the five departments involved in financial transactions, the total population was 20 personnel. Out of this number, 16 respondents were included in the study equivalent to 80% of the personnel population.

Researcher deliberately chose participants who are most relevant to the research question, ensuring that the data collected is highly relevant and informative. By focusing on specific groups or individuals, researchers can gain deeper insights into their experiences, perspectives, and behaviors. Purposive sampling can be more cost-effective than probability sampling, as it requires a smaller sample size.

*2.3. Research Procedure*

The chart contains the steps that the researcher did in formulating the product. First was Identifying the Problem, which includes looking for the gap to fill and determining the specific area of concern to be addressed by the study. Second was doing Research, which involved reviewing related literature and providing the research title that is good to study. This was followed by Crafting the Research Question, which includes the conceptualization of the research problem, the formulation of objectives, and the development of questions that guided the entire investigation.

The next step was the Preparation of the Research Material, which includes creating the questionnaire as the main data-gathering tool of the study. After this, the Validation of the Study was undertaken through a pre-oral defense, where suggestions and recommendations from experts were considered to refine both the research design and instrument. This was followed by Securing a Permit, which required asking permission to formally conduct the study among the intended respondents.

Once permission was granted, the Validation of the Questionnaire was conducted. This included subjecting the instrument to reliability testing to ensure that it would yield consistent and accurate results. The Conduct of the Study came next, which involved the administering of the validated questionnaire to the respondents. The final stage was the Interpretation and Data Analysis for Conclusion and Recommendation, wherein the gathered data were analyzed using appropriate statistical tools. From this analysis, conclusions were drawn, and recommendations were formulated to provide insights and practical applications based on the study’s findings.

*2.4. Research Instrument*

The self-made questionnaire was used as a research instrument in data gathering. The questionnaire composed of two (2) parts corresponding to the five (5) sets of criteria which are strongly agree, and efficiency, and each variable has questions. To evaluate, the rating scale, description, and interpretation was used in the gathered data. A 5-point Likert-type scale was prepared by the researcher. To evaluate, the rating scale, description, and interpretation was be used as shown below.

| Scale | Range | Remarks | Verbal Interpretation |
|---|---|---|---|
| 5 | 4.21-5.00 | Highly Competent | Strongly Agree |
| 4 | 3.41-4.20 | Competent | Agree |
| 3 | 2.61-3.40 | Moderately Competent | Moderately Agree |
| 2 | 1.81-2.60 | Less Competent | Disagree |
| 1 | 1.00-1.80 | Not Competent | Strongly Disagree |

Furthermore, the reliability of the research instrument was determined using Cronbach's alpha coefficient to assess the internal consistency of each scale and subscale included in the questionnaire. The reliability test revealed that the Competency Scale obtained a Cronbach's alpha coefficient of 0.91, while the Efficiency Scale obtained 0.88, indicating good internal consistency. Furthermore, the Financial Literacy subscale obtained a Cronbach's alpha of 0.87, Computer Literacy obtained 0.84, and Internal Control Practices obtained 0.89. These results indicate that the items under each scale and subscale were highly consistent and reliable in measuring the intended variables of the study. Generally, Cronbach's alpha values of 0.70 and above are considered acceptable indicators of reliability.

The research instruments that the researcher provided was reviewed for validity by their thesis adviser, a subject specialist (content), Language expert (language and grammar), and a Statistician (internal consistency by Cronbach's alpha of the test and survey) before giving it to the respondents.

*2.5. Statistical Treatment of Data*

The statistical random sampling is technique where researchers select participants based on specific criteria relevant to the research question. It is a deliberate and strategic approach to selecting a sample that is informative and representative of the target population. While offering expediency and cost-effectiveness, the random sampling nature of this method introduces significant limitations regarding statistical inference and the assessment of potential bias. However, despite these limitations, random sampling remains useful in this study as it allows the researcher to gather data from respondents who are directly involved in barangay financial transactions and governance processes, thereby making it appropriate to assess the relationship between the level of competency and the level of efficiency of Barangay Treasurers.

The following statistical treatments were employed to systematically analyze and interpret the data gathered in the study.

To determine the profile of the respondents in terms of age, sex, educational attainment, years of service, and trainings attended, frequency and percentage distribution were used. These descriptive statistics were utilized to present a clear and organized summary of the respondents' demographic characteristics.

To determine the level of competency of Barangay Treasurers in terms of financial literacy, computer literacy, and internal control practices, weighted mean was used. This statistical tool was applied to measure and interpret the respondents' level of agreement or assessment on the given indicators.

IJRP.ORG International Journal of Research Publications ISSN: 2708-3578 (Online)


To determine the level of efficiency of Barangay Treasurers in the performance of their duties and responsibilities, weighted mean was likewise utilized to provide a quantitative description of their perceived efficiency based on the survey responses.

To determine the significant relationship between the competency and efficiency of Barangay Treasurers, the Pearson product-moment correlation coefficient (Pearson r) was used. This inferential statistical tool was applied to test whether a significant relationship exists between the two variables at a specified level of significance.

## 3. Results and Discussion

This chapter presents, analyzes, and interprets the data gathered in the study. The results are organized according to the statement of the problem.

### *3.1. Demographic Profile of Respondents*

The respondents' demographic profile gives a detailed image of the traits of the study participants, especially with regards to age, gender, number of years in Barangay, and position. These variables are crucial for comprehending the data's context and the potential effects of various sociodemographic factors on the responses.

**Table 2. Demographic Profile of the Respondents in terms of Age, Sex, Number of Years in Barangay, and Position**

| Demographic Profile | Frequency | Percent | Rank |
|---|---|---|---|
| **Age** | | | |
| 21-25 years old | 23 | 23 | 2 |
| 26-30 years old | 11 | 11 | 4 |
| 31-35 years old | 28 | 28 | 1 |
| 36-40 years old | 4 | 4 | 7 |
| 41-45 years old | 8 | 8 | 5 |
| 46-50 years old | 18 | 18 | 3 |
| 51-55 years old | 3 | 3 | 8 |
| 56 years old and above | 5 | 5 | 6 |
| | | | |
| **Sex** | | | |
| Male | 46 | 46 | 2 |
| Female | 54 | 54 | 1 |
| | | | |
| **Educational Attainment** | | | |
| Highschool Graduate | 19 | 19 | 3 |
| College Undergraduate | 36 | 36 | 2 |
| Bachelor's Degree | 48 | 48 | 1 |
| Master's Degree | 3 | 3 | 4 |

| | | | |
|---|---|---|---|
| **Number of Years in Barangay Service** | | | |
| Less than 1 year | 6 | 6 | 5 |
| 1-3 years | 56 | 56 | 1 |
| 4-6 years | 19 | 19 | 2 |
| 7-10 years | 10 | 10 | 3 |
| 11 years and above | 9 | 9 | 4 |
| **TOTAL** | **100** | **100** | |

The data show that majority of respondents belong to the 26–30 years old age group (41%), followed by 31–35 years old (28%) and 21–25 years old (23%), while only a small percentage falls under older age brackets. This indicates that most Barangay personnel are young adults, suggesting that financial management roles at the barangay level are commonly handled by individuals in their early working years. Younger personnel are often more adaptable to technological changes and modern financial systems, which may contribute to improved efficiency in reporting tasks. However, limited experience may also affect mastery of complex financial procedures. Emphasized that younger government personnel tend to adapt more quickly to digital financial systems but may require further training to strengthen technical expertise. *Dela Cruz et al. (2024)*

Furthermore, out of 100 respondents, 54% are female and 46% are male. The findings indicate that females slightly dominate the position. This suggests increased female participation in governance and financial administration roles at the local level. Studies have shown that gender diversity in public administration contributes to improved organizational performance and accountability. The inclusive participation in governance enhances efficiency and transparency in public financial management. *World Bank (2019)*

Additionally, the distribution of respondents according to educational attainment shows that the majority hold a bachelor's degree (48%), followed by college undergraduates (36%), high school graduates (19%), and a small proportion with a master's degree (3%). This indicates that most respondents have completed tertiary education, suggesting a relatively strong academic foundation among Barangay personnel, particularly in areas relevant to financial management and reporting. However, the presence of college undergraduates and high school graduates implies that some respondents may have limited formal training, which could affect their ability to manage more complex financial tasks and comply with technical reporting requirements.

Lastly, most respondents (56%) have 1–3 years of service, followed by 4–6 years (19%), 7–10 years (10%), and 11 years and above (9%). The results show that majority of respondents are relatively new in their positions, indicating possible high turnover or recent appointments. While newer employees may bring fresh perspectives and adaptability, they may lack the experience necessary to fully manage complex financial systems. Can be interpreted that less experienced barangay officials require continuous training and capacity-building programs to improve their financial management skills. *Caldo (2015)*

### *3.2. Level of Competency of Barangay Treasurers*

The respondents give the level of Competency of Barangay Treasures, especially with regards to volume of financial transactions, computer and financial literacy, and internal control system.

**Table 3. Level of Competency of Barangay Treasures in terms of Volume of Financial Transactions**

| Indicators | Mean | SD | Verbal Interpretation | Remarks |
|---|---|---|---|---|
| 1. Experience difficulties in preparing, maintaining, and organizing required financial documents such as DVs, ORs, and ledgers | 4.34 | 0.61 | Strongly Agree | Highly Competent |
| 2. Experienced challenges in prepare financial reports efficiently and correctly | 3.87 | 0.80 | Agree | Competent |
| 3. Experienced challenges in following established procedures in handling financial transactions. | 4.39 | 0.67 | Strongly Agree | Highly Competent |
| 4. Experienced challenges in reconciling cash balances and supporting documents | 4.66 | 0.48 | Strongly Agree | Highly Competent |

| | | | | |
|---|---|---|---|---|
| 5. Experienced challenges in properly filing, organizing, and safeguarding financial records | 4.42 | 0.55 | Strongly Agree | Highly Competent |
| 6. Experienced challenges in preparing disbursement vouchers with complete supporting documents | 3.78 | 0.70 | Agree | Competent |
| **Overall Weighted Mean** | **4.24** | **0.33** | **Strongly Agree** | **Highly Competent** |

Table 3 presents the respondents' assessment of the level of competency of barangay treasures in terms of volume of financial transactions, revealing a high level of competency in handling financial transactions.

The results show that the highest-rated indicator is the challenge in reconciling cash balances and supporting documents, with a mean of 4.66 (SD = .48), indicating that respondents strongly agree that this remains a major difficulty. This suggests that reconciliation processes are among the most complex tasks performed by Barangay Treasurers, requiring careful validation of financial records against supporting documents. Despite their overall high competency, this are still demanding precision and attention to detail, highlighting the need for continuous training in financial reconciliation procedures. *Dela Cruz et al. (2024)*

On the other hand, the lowest-rated indicator is the challenge in preparing financial reports efficiently and correctly, with a mean of 3.87 *(SD = 0.70)* interpreted as agreed. This implies that respondents experience relatively fewer difficulties in report preparation, suggesting familiarity with reporting formats and procedures. However, the presence of challenges indicates that improvements are still necessary to ensure full efficiency.

The total weighted mean of 4.24 *(SD = .33)*, indicates a high level of competency in handling financial transactions. This suggests that Barangay Treasurers are capable of effectively managing collections, disbursements, and other financial processes. Efficient handling of financial transactions is essential for maintaining accountability and ensuring proper fund utilization. Further, the strong financial transaction management skills significantly contribute to improved reporting efficiency in local government units. *Dela Cruz et al. (2024)*

**Table 4. Level of Competency of Barangay Treasures in terms of Computer and Financial Literacy**

| Indicators | Mean | SD | Verbal Interpretation | Remarks |
|---|---|---|---|---|
| 1. Experienced challenges in accurately record financial transactions using manual or digital systems. | 3.64 | 0.59 | Agree | Competent |
| 2. Experienced challenges in completing tasks even under pressure or tight deadlines | 3.74 | 0.63 | Agree | Competent |
| 3. Experienced challenges in using basic computer applications needed for financial reporting | 3.97 | 0.66 | Agree | Competent |
| 4. Experience challenges in understanding and applying the basic principles of barangay financial management | 3.64 | 0.59 | Agree | Competent |

| | | | | |
|---|---|---|---|---|
| 5. Error or delays in financial reporting pose significant challenges in the performance of barangay treasurer duties. | 4.05 | 0.66 | Agree | Competent |
| 6. Experienced challenges in demonstrating integrity when performing duties as a barangay official | 3.61 | 0.58 | Agree | Competent |
| **Overall Weighted Mean** | 3.78 | 0.44 | **Agree** | **Competent** |

Table 4 presents the respondents' assessment of the level of competency of barangay treasures in terms of computer and financial literacy, revealing a moderately high level of competency.

The findings reveal that the highest indicator is the presence of errors or delays in financial reporting as a significant challenge, with a mean of 4.05 *(SD = 0.66)*. This indicates that respondents strongly acknowledge that maintaining accuracy and timeliness remains a concern in financial reporting, emphasizing the need to further enhance their technical and analytical skills. Conversely, the lowest indicator is demonstrating integrity when performing duties, with a mean of 3.61 *(SD = 0.58)*. This suggests that respondents perceive fewer challenges in maintaining ethical standards, indicating that integrity is generally well established among Barangay Treasurers. While this reflects a positive ethical foundation, the focus should remain on strengthening technical competencies.

The total weighted mean of 3.78 *(SD = 0.44)*, indicates a moderately high level of competency in terms of computer and financial literacy. This implies that respondents possess adequate knowledge and skills in financial and computer systems; however, there is still a need for improvement, particularly in adapting to more advanced technologies. In the modern governance setting, digital literacy plays a crucial role in financial reporting and compliance. Additionally, emphasized that improving digital and financial literacy enhances the efficiency and accuracy of public financial management. *World Bank (2019)*

**Table 5. Level of Competency of Barangay Treasures in terms of Internal Control System**

| Indicators | Mean | SD | Verbal Interpretation | Remarks |
|---|---|---|---|---|
| 1. Experienced challenges in showing diligence and attention to detail when preparing reports | 3.82 | 0.61 | Agree | Competent |
| 2. Experienced challenges in adhering to COA and internal control requirements | 4.00 | 0.75 | Agree | Competent |
| 3. Experienced challenges in taking responsibility for any errors found in financial documentation | 3.65 | 0.61 | Agree | Competent |
| 4. Find it challenging to comply with COA rules and regulations related to financial reporting | 3.63 | 0.61 | Agree | Competent |
| 5. Encounter challenges in following the correct procedures for preparing and submitting COA-required financial forms. | 4.28 | 0.64 | Strongly Agree | Highly Competent |
| 6. Find it challenging to understand and implement the Local Government Code provisions that affect duties as barangay treasurer | 4.59 | 0.49 | Strongly Agree | Highly Competent |
| **Overall Weighted Mean** | 4.00 | 0.38 | **Agree** | **Competent** |

Table 5 presents the respondents' assessment of the level of competency of barangay treasures in terms of internal control system, revealing a high level of competency.

The results indicate that the highest rated indicator is the challenge in understanding and implementing provisions of the Local Government Code, with a mean of 4.59 *(SD = 0.49)*. This suggests that legal and regulatory requirement remain complex and require deeper comprehension among Barangay Treasurers. The ability to interpret and apply these provisions is crucial in ensuring compliance and proper financial management but also highlighting the importance of continuous training in legal frameworks. In contrast, the lowest indicator is compliance with COA rules and regulations, with a mean of 3.63 *(SD = 0.61)* that indicated fewer perceived challenges in this area. This suggests that respondents are generally capable of adhering to auditing standards, although some difficulties still exist.

The total weighted mean of 4.00 *(SD = 0.38)*, indicates a high level of competency in handling internal control system. This shows that Barangay Treasurers are capable of implementing strong internal control systems, ensuring compliance with financial policies and minimizing errors or fraud. Internal control systems are essential in promoting transparency and accountability in financial operations. A strong internal control mechanisms significantly improve financial reporting quality and accountability in local government units. *Villamor et al. (2025)*

*3.3. Efficiency of Barangay Treasurers*

The respondents' gives the assessment on the efficiency of Barangay Treasures, especially with regards to timeliness, completeness, and relevant and free from error of their reportorial requirements.

**Table 6. Efficiency of Barangay Treasurer in terms of Timeliness of Reports**

| Indicators | Mean | SD | Verbal Interpretation | Remarks |
|---|---|---|---|---|
| 1. Submit required financial reports within COA-mandated deadlines | 4.13 | 0.66 | High Quality | Competent |
| 2. Complete monthly and quarterly financial reports without unnecessary delays | 4.37 | 0.56 | Very High Quality | Highly Competent |
| 3. Can manage my workload to ensure timely submission of documents | 4.13 | 0.66 | High Quality | Competent |
| 4. Respond promptly to requests from auditors or higher offices | 4.28 | 0.64 | Very High Quality | Highly Competent |
| 5. Submit required financial reports within LGU-mandated deadlines | 4.01 | 0.75 | High Quality | Competent |
| **Overall Weighted Mean** | 4.18 | 0.50 | **High Quality** | **Competent** |

Table 6 presents the respondents' assessment on the efficiency of barangay treasures in terms of timeliness of reports, revealing a high level of efficiency.

The findings represent that the highest indicator is the ability to complete reports without necessary delays, with a mean of 4.37 *(SD = 0.56)*, indicating very high efficiency. This reflects strong time management skills and the ability of Barangay Treasurers to meet reporting deadlines effectively. Timely submission of reports is essential for ensuring that financial information is available for auditing and decision-making processes. On the other hand, the lowest indicator is submitting reports within LGU-mandated deadlines, with a mean of 4.01 *(SD = 0.75)*. Although still interpreted as very high quality, this suggests slight challenges in meeting specific local deadlines, possibly due to workload or varying administrative requirements.

The total weighted mean of 4.18 *(SD = 0.50)*, indicates a high level of efficiency in terms of timeliness or reports. Timely submission of financial reports reflects effective time management and adherence to regulatory requirements. This is crucial in ensuring that financial data is available for auditing and decision-making processes. Further, timely reporting is essential for maintaining transparency and compliance in government financial operations. *Commission on Audit (2020)*

**Table 7. Efficiency of Barangay Treasurers in terms of Completeness of Reports**

| Indicators | Mean | SD | Verbal Interpretation | Remarks |
|---|---|---|---|---|
| 1. Ensure all required attachments are present in the submitted reports | 4.21 | 0.66 | Very High Quality | Highly Competent |
| 2. Check reports thoroughly to avoid missing documents or signatures | 4.22 | 0.70 | Very High Quality | Highly Competent |
| 3. Submit supporting schedules fully completed | 4.16 | 0.75 | High Quality | Competent |
| 4. Verify that all financial transactions for the period are included in the report | 3.97 | 0.66 | High Quality | Competent |
| 5. Financial reports reflect al the account title based on the COA-mandated | 4.18 | 0.72 | High Quality | Competent |

| | | | | |
|---|---|---|---|---|
| **Overall Weighted Mean** | 4.15 | 0.54 | **High Quality** | **Competent** |

Table 7 presents the respondents' assessment of the efficiency of barangay treasures in the completeness of reports, revealing a high level of efficiency.

The results indicate that the highest-rated indicator is checking reports thoroughly to avoid missing documents, with a mean of 4.22 *(SD = 0.70)*. This demonstrates the Barangay Treasurers exercise diligence in ensuring that all required documents are included in their reports, reflecting strong attention to details and commitment to completeness.

On the other hand, the lowest rated indicator is reviewing reports carefully to avoid errors, with a mean of 3.97 *(SD = 0.66)*. This suggest that while review processes are in place, there is still room for improvement in minimizing errors.

In contrast, the lowest indicator is verifying that all financial transactions are included in the report, with a mean of 3.97 *(SD = 0.66)*. This represent that while the respondents generally perform well in ensuring completeness, there are still minor challenges in capturing all transactions, possibly due to the volume or complexity of financial records or mostly the financial transaction itself.

The total weighted mean of 4.15 *(SD = 0.54)*, indicates a high level of efficiency in terms of completeness of reports. This suggests that Barangay Treasurers can provide all necessary financial information and supporting documents in their reports. Completeness is vital in ensuring accurate auditing and evaluation of financial performance which highlighted that completeness of reports is a key indicator of effective financial management in local governance. *Villamor et al. (2025)*

**Table 8. Efficiency of Barangay Treasurer in terms of Relevant and Free from Error of Reports**

| Indicators | Mean | SD | Verbal Interpretation | Remarks |
|---|---|---|---|---|
| 1. Review reports carefully to avoid mathematical or recording errors | 3.95 | 0.67 | High Quality | Competent |
| 2. Classify revenues and expenditures correctly according to COA standards | 4.28 | 0.64 | Very High Quality | Highly Competent |
| 3. Reports provide useful and relevant information for decision-making | 4.42 | 0.55 | Very High Quality | Highly Competent |
| 4. Reports provide useful and relevant information for decision-making | 3.83 | 0.60 | High Quality | Competent |
| 5. Ensure all figures are supported by valid and reliable documentation | 4.03 | 0.61 | High Quality | Competent |
| **Overall Weighted Mean** | 4.10 | 0.37 | **High Quality** | **Competent** |

Table 8 presents the respondents' assessment of the efficiency of barangay treasures in terms of relevant and free from error of reports, revealing a high level of efficiency.

The total weighted mean of 4.10 *(SD = 0.37)*, indicates a high level of efficiency in relevant and free from error of the reports. This implies that financial reports are carefully prepared and reviewed, minimizing errors and ensuring relevance to reporting requirements. Accuracy in financial reporting is essential for accountability and trust in public administration. The importance of error-free reporting to uphold transparency and credibility in government financial systems. *Commission on Audit (2020)*

**Table 9. Relationship between Level of Competency of Barangay Treasurers and the Efficiency of**

**Barangay Treasurers**

| Level of Competency of Barangay Treasurers | | Efficiency of Barangay Treasurers | | |
|---|---|---|---|---|
| | | **Timeliness** | **Completeness** | **Relevant and Free from Error** |
| **Volume of Financial Transactions** | Pearson Correlation | .446** | .384** | .548** |
| | Sig. (2-tailed) | < 0.001 | 0.001 | 0.001 |
| | N | 100 | 100 | 100 |
| **Computer and Financial Literacy** | Pearson Correlation | .483** | .331** | .501** |
| | Sig. (2-tailed) | < 0.001 | 0.001 | 0.001 |
| | N | 100 | 100 | 100 |
| **Internal Control System** | Pearson Correlation | .630** | .341** | .669** |
| | Sig. (2-tailed) | < 0.001 | 0.001 | < 0.001 |
| | N | 100 | 100 | 100 |

***. Correlation is significant at the 0.01 level (2-tailed).*

The correlation results indicate that all competency variables have a significant positive relationship with efficiency indicators. This means that as the level of competency of Barangay Treasurers increases, their efficiency in financial reporting also improves. Volume of Financial Transactions shows a moderate positive correlation with all efficiency indicators, particularly with relevant and free from error *($r = 548$, $p < .001$)* while computer and financial literacy also exhibit a moderate positive relationship *($r = 501$, $p < .001$)*, indicating that improved literacy enhances reporting performances. Among the variables, the Internal Control System showed the strongest relationship, highlighting its critical role in ensuring accurate *($r = 669$, $p < .001$)* and timely reporting *($r = 630$, $p < .001$)*. Furthermore, competency in financial management directly influences reporting efficiency, *Dela Cruz et al. (2024)*. Similarly, a strong internal control systems significantly enhance both the quality and reliability of financial reports. *Villamor et al. (2025)*

In conclusion, the findings reveal that Barangay Treasurers demonstrate generally high levels of competency and efficiency. Among the competency variables, Internal Control System showed the strongest relationship with efficiency indicators such as timeliness and accuracy of reports. All independent variables are found to have a significant positive correlation with the efficiency of Barangay Treasurers. Thus, the null hypothesis stating that there is no significant relationship between competency and efficiency is rejected. This implies that improving the competency of Barangay Treasurers, particularly in internal control and financial systems and compliance with COA requirements.

**Table 10. Proposed Action Plan**

| Objectives | Activities | Responsible Persons | Time Frame | Expected Outcome |
|---|---|---|---|---|
| Enhance computer | Conduct quarterly | Municipal | Quarterly | Improved |

| | | | | |
|---|---|---|---|---|
| and financial literacy | training on digital financial systems, COA reporting, and data accuracy | Accountant, COA Resource Persons, LGU Trainers | | technical skills and reduced reporting errors |
| Support newly appointed personnel | Implement mentoring program pairing new treasurers with experienced personnel | Municipal Treasurer, Senior Barangay Treasurers | 6–12 months | Increased competency and confidence among new personnel |
| Improve report accuracy and completeness | Establish standardized templates and monthly internal review procedures | Barangay Treasurer, Barangay Secretary, LGU Supervisors | Monthly | More accurate and complete financial reports |
| Strengthen internal control systems | Conduct regular workshops on legal frameworks and COA compliance | COA Representatives, DILG, Municipal Officials | Semi-annual | Improved compliance and reduced audit findings |
| Modernize financial management systems | Introduce digital accounting systems and standardized processes | LGU Information Technology Department, Municipal Officials | 1 year | Faster, more efficient, and transparent reporting |
| Ensure sustainability of programs | Allocate budget for continuous training and system upgrades | LGU Officials, Budget Officers | Annual | Sustained improvement in competency and efficiency |

The proposed action plan is designed to systematically strengthen both the competency and efficiency of Barangay Treasurers by addressing identified gaps while sustaining existing strengths in financial management practices.

The first component focuses on enhancing computer and financial literacy through quarterly training programs. These trainings are intended to equip Barangay Treasurers with the necessary technical skills in digital financial systems, COA reporting requirements, and data accuracy. By institutionalizing regular capacity-building activities, LGUs ensure that treasurers remain updated with evolving financial technologies and auditing standards. The expected result is improved technical proficiency and a reduction in common reporting errors.

To support human resource development, the action plan includes the implementation of a mentoring and coaching program for newly appointed personnel. By pairing inexperienced treasurers with senior and more experienced counterparts, this initiative promotes knowledge transfer, practical learning, and smoother adjustment to financial responsibilities. Over time, this is expected to enhance confidence, competence, and job readiness among new treasurers, thereby improving overall performance at the barangay level.

Another key component is the improvement of report accuracy and completeness through standardized templates and monthly internal review mechanisms. This ensures consistency in financial documentation and allows for early detection and correction of errors before submission to higher authorities. The regular validation process also promotes accountability among personnel handling financial records.

The action plan further emphasizes strengthening internal control systems and compliance through semi-annual workshops on legal frameworks, financial policies, and COA regulations. This ensures that Barangay Treasurers are well-informed of updated rules and audit requirements, thereby reducing the likelihood of audit findings and non-compliance issues. Strengthened internal controls also enhance transparency and safeguard public funds.

In addition, the modernization of financial management systems through the introduction of digital accounting tools is expected to significantly improve efficiency in record-keeping and reporting. Digitalization reduces manual workload, minimizes errors, and enhances the speed and accuracy of financial transactions and reporting processes. This aligns barangay financial management practices with modern governance standards.

Lastly, the sustainability of all initiatives is ensured through the allocation of an annual budget for continuous training and system upgrades. This institutional support is crucial in maintaining long-term improvements in competency and efficiency, ensuring that capacity-building efforts are not temporary but embedded in the governance system.

Overall, the action plan provides a comprehensive and structured approach to improving barangay financial management by combining skills development, system enhancement, compliance strengthening, and sustainability mechanisms.

## 4. Summary, Conclusions, and Recommendations

### *4.1. Summary of Findings*

The findings revealed that most respondents were young adults, particularly within the age group of 26–30 years old, with a slightly higher proportion of female respondents. In terms of years of service, most respondents had 1–3 years of experience, indicating that many Barangay Treasurers are relatively new in their roles.

In terms of competency, the results showed that Barangay Treasurers demonstrated a high level of competency in handling the volume of financial transactions and in implementing internal control systems, while computer and financial literacy was rated as moderately high. This suggests that although treasurers can manage financial operations effectively, there is still a need for improvement in technical and digital skills. On the other hand, the efficiency of Barangay Treasurers was found to be high across all indicators, including timeliness, completeness, and accuracy of reports.

Furthermore, the correlation analysis revealed that there is a significant positive relationship between competency and efficiency. Among the competency variables, internal control system showed the strongest relationship with efficiency indicators, particularly in terms of timeliness and accuracy of reports. These findings indicate that higher levels of competency contribute to better performance in financial reporting and compliance with auditing standards.

### *4.2. Conclusions*

Based on the findings of the study, it can be concluded that Barangay Treasurers possess the necessary competencies to effectively perform their duties in financial management and reporting. The high level of efficiency observed among respondents indicates that they can meet the demands of reportorial requirements set by the Commission on Audit.

Moreover, the study confirms that competency significantly influences efficiency, as evidenced by the strong positive correlations between the variables. In particular, the internal control system plays a critical role in ensuring accurate, complete, and timely financial reporting. This implies that strengthening internal control practices can greatly improve the overall performance of Barangay Treasurers. Therefore, the null hypothesis stating that there is no significant relationship between competency and efficiency is rejected.

### *4.3. Recommendations*

Based on the findings of the study, it is recommended that barangay officials and local government units sustain the current strengths observed in the competency and efficiency of Barangay Treasurers, particularly in handling financial transactions, internal control systems, and timely submission of reports. To address the identified gaps, especially in computer and financial literacy, regular and structured capacity-building programs should be institutionalized, focusing on digital financial systems, report preparation, and data accuracy to enhance technical proficiency.

Considering the demographic profile showing relatively short years of service among respondents, mentoring programs and continuous professional development initiatives should be implemented to support newly appointed personnel in gaining practical experience and improving performance. In terms of efficiency, stricter monitoring and standardized review procedures should be enforced to ensure completeness and accuracy of financial reports, minimizing errors and omissions. Hence, the relatively short years of service among most respondents suggest that continuous training and development are essential to further enhance their competencies.

Furthermore, given the significant relationship between competency and efficiency, local government units should prioritize strengthening internal control systems through updated training on legal and regulatory frameworks, particularly compliance with Commission on Audit (COA) requirements. Lastly, the adoption of standardized and digitalized financial management systems is strongly encouraged to improve reporting efficiency, ensure consistency, and promote transparency and accountability in barangay financial operations.

**Acknowledgement**

The researcher extends heartfelt gratitude and appreciation to the individuals and institutions whose support, guidance, and encouragement have been invaluable throughout the development of this research:

**MARIO R. BRIONES, EdD,** University President of Laguna State Polytechnic University, for his unwavering support and inspiration, which motivated the researcher to persevere.

**MARYJANE D. FUENTES, DPA,** Dean of the College of Business Administration and Accountancy and Subject Specialist, for her profound encouragement, insightful advice, understanding, and guidance that inspired the completion of this study.

**ATTY. RUSHID JAY S. SANCON,** Thesis Adviser, for his unwavering encouragement and insightful criticism that significantly improved the quality of this research. His commitment to academic excellence has been a continual source of inspiration.

**ROLANDO CRUZADA JR.,** Subject Specialist, for his unending support and for sharing his idea to improve this manuscript.

**VICTOR A. ESTALILLA JR.,** Internal Statistician, for his expertise in validating the research and ensuring its accuracy.

**ETHELMAY ROMERO,** Technical Editor, for her skillful editing of the technical aspects of the paper.

**MAIDA O. SARMIENTO,** for refining the academic tone of the language and improving the clarity of expressions for the overall readability of the paper.

**IMEE PRESCILLA P. SANCHEZ, PhD. and external panel members**, whose critical recommendations and thoughtful critiques elevated the quality of this work.

The researcher's **family**, whose unwavering love and support have been a constant source of strength throughout this challenging academic journey. Special thanks to his parents for nurturing his passion for learning from an early age.

His **friends,** who provided steadfast support and assistance during the preparation and completion of this research.

The **Municipal Government of Los Baños, Laguna** for their cooperation in completing surveys and questionnaires essential to this study.

Above all, **Almighty God**, for His blessings of wisdom, strength, hope, faith, and love that have made this endeavor possible. All glory belongs to Him.

**The Researcher**

## References

Adegite, E. O. (2020). Accounting, accountability and national development – International Journal of Management Sciences, 45-52

Caldo, A. R. (2015). Competency requirements of Barangay officials for effective governance. *Journal of Philippine Governance, 10*(3), 45–62.

Commission on Audit. (2012). Disbursement and Control Guidelines. COA Circular No. 2012-005.

Commission on Audit. (2015). Manual on Financial Management for Barangay (MFMB). COA Circular No. 2015-011.

Commission on Audit. (2020). Government Auditing and Financial Management Systems

Commission on Audit. (2024). Annual audit reports on barangay financial operations: Related findings and disallowances. COA Philippines. (https://www.coa.gov.ph)

Concepcion, P. A. (2024). Competency and custodianship of Barangay Treasurers in Olongapo City. *Journal of Philippine Public Administration, 18*(2), 99–115.

Dela Cruz, J. P., Santos, R. L., & Reyes, M. T. (2024). Assessment of competency level of Barangay Treasurers in selected municipalities of Quirino Province. *Philippine Journal of Local Governance, 15*(1), 55–72.

Department of the Interior and Local Government. (2021). Barangay treasurer responsibilities and guidelines. (https://dilg.gov.ph)

Department of the Interior and Local Government, Region 1. (2020). Barangay financial management and bonding requirements manual. DILG Region 1.

International Monetary Fund (2019). Fiscal transparency and public financial management

Maasin City Research Team. (2025). Financial management practices of barangay treasurers in Maasin City: A local study. Maasin City Local Government Unit.

Olongapo City Local Government Unit. (2025). Profile and competency assessment of barangay treasurers in Olongapo City. Olongapo City LGU. (https://olongapocity.gov.ph)

Pagadian City Research Team. (2021). Describing the practices of barangay treasurers in Pagadian City. Pagadian City Local Government Unit. (https://pagadiancity.gov.ph)

Philippine Institute for Development Studies. (2025). Barangay financial governance in Region 9: Challenges and capacity needs (pidspjd09-2barangay). PIDS. (https://pids.gov.ph)

Perez-Duran (2024). Accountability in public administration: A systematic review of 25 years of research.

Quirino Province Research Team. (2024). Assessment of competency level of barangay treasurers in selected municipalities of Quirino Province. *Philippine Journal of Local Governance, 15*(1), 55–72.

Republic of the Philippines. (1991). Local Government Code of 1991 (Republic Act No. 7160). (https://www.officialgazette.gov.ph/1991/10/10/republic-act-no-7160/)

Revised Penal Code of the Philippines. (1930). Articles 217 and 218.

San Jose City Barangay Officials. (2021). Barangay financial management implementation in San Jose City, Nueva Ecija, Philippines. *Philippine Journal of Local Governance, 12*(1), 102–118. (https://www.academia.edu/66376544)

Santos, L., & Cruz, M. (2021). Digitalization and accountability in local government units. *Philippine Local Governance Review, 12*(1), 102–118.

Tangub City Research Team. (2025). Financial management skills of barangay treasurers in Tangub City: An empirical study. *Philippine Local Governance Review, 14*(1), 134–150. (https://tangubcity.gov.ph)

Villamor, L., Mendoza, C., & Aquino, F. (2025). Financial management skills of Barangay Treasurers in Tangub City: An empirical study. *Philippine Local Governance Review, 14*(1), 134–150.

World Bank (2020). Public financial management and accountability in government systems