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A Case Study: Accounting and Financial Management for Barangay Baclaran, Parañaque City, MM

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I. Introduction

This case study focuses mainly on Accounting and Financial Management of Barangay Baclaran. According to City Information Office in City Hall Parañaque of 2009, Baclaran is a second-class barangay located in urban area with a population of approximately 33, 850 residents and a land area of 1.80 square kilometers. In the northern barangays of Parañaque, notably in the Baclaran township, trade and commerce are heavily concentrated. Its dried-goods markets are renowned across the nation as a sanctuary for bargain hunters. Their ready-to-wear (RTW) clothing is the most sought-after and haggled-over product line. As one travels further south, commerce gets less stressful because businesses are typically conducted in a manner akin to the traditional mom and pop model. However, the recently built commercial complexes are situated in these neighborhoods. One would also notice the numerous five-star condominiums that are either newly built or still under construction in Baclaran and Tambo. Baclaran is also known for its famous landmarks such as the National Shrine of Our Mother of Perpetual Help colloquially known as Baclaran church, Okada, City of Dream and Mall of Asia. Brgy. Baclaran provides their people with services and programs including health services, educational assistance, burial assistance, infrastructure development programs, and LGBTQI+ Support Service.

II. Background

Barangay Baclaran is one of the 16 barangays in Parañaque City located in the southern part of Metro Manila. The barangay is situated near the Ninoy Aquino International Airport, making it a busy commercial and residential area. Barangay Baclaran is home to approximately 60,000 residents, making it one of the most populated barangays in Parañaque City. The barangay is known for its popular commercial district, which includes the Redemptorist Church and the Baclaran Market, a popular destination for shoppers and tourists. The market is known for its wide array of goods, including clothing, electronics, and home decor.

Barangay Baclaran faces several challenges in accounting and financial management due to its urbanization and population. In our interview with Barangay Captain, Mr. Jun Zaide manages the budget and finances of the barangay efficiently to provide essential services to its residents, including health services, burial services, educational assistance, waste management, and infrastructure development. To support all his residence, Mr. Jun Zaide ensures that every sector in his management is given enough budget and support. Even though he did his best it is still not enough especially when they are having problems when it comes to their processes, estimation, and budget allocation.

Having problems in budget allocation, accounting and financial processes can cause budget inefficiency for the barangays upcoming projects and given services. In every project, one should always need allotted budget, but managing financial records improperly may cause potential financial risk that can also affect the provided services of the barangay.

III. Key Issues

Shown below is the process of budgeting allocation of every Barangay. From the city government to the barangay captain and staff, then it will be passed to the treasury for validation and the budget will then be disseminated to every sector, projects and services the Barangay has.

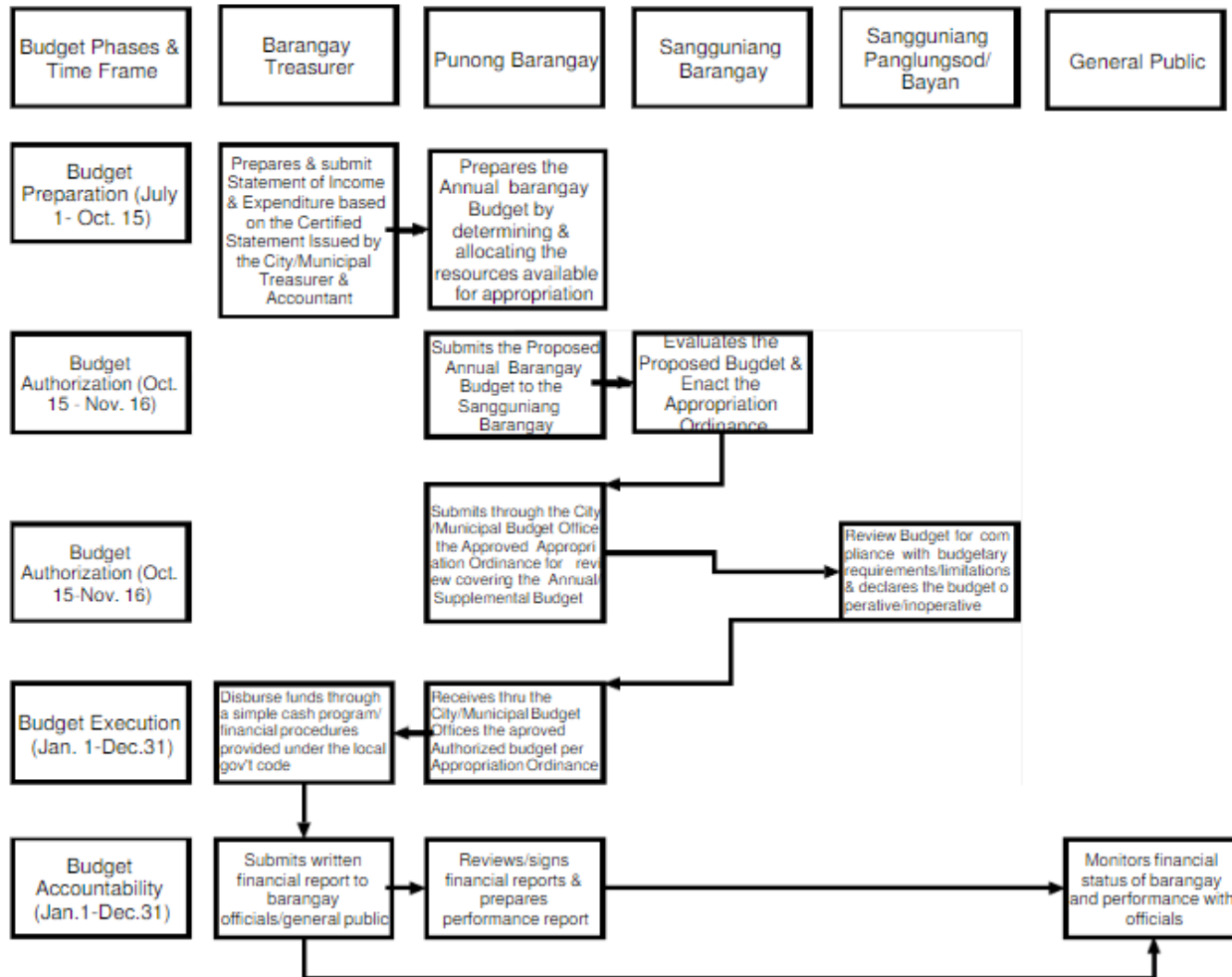


Image 1.1 Budget Allocation flow of a Barangay

The process takes too much time before being disseminated, above is the complete flow of the budget allocation with the financial reports and projects progress. During the interview the only insight Mr. Jun Zaide gave the interviewer is the process of the budget allocation. He said that the budget came from the City Government then the barangay will disseminate the budget to all sectors and services after that it will be passed to the treasury for approval.

This part of the study discusses about the issues in Barangay Baclaran's processes and budget improperly management that are seen by the interviewer while interviewing Cpt. Jun Zaide.

- Manual, Time-consuming and Paper Based Process

Mr. Jun Zaide shared the interviewer how they gather data when they start a project. One of the Barangay Captain's ways are by people to address the barangay issues through live in Facebook, later on, when the live ended the barangay staff just need to review the comments. This will take too many days since as the interviewer checked the barangay captains live videos, there are almost 10 thousand of comments. Doing this is too time consuming for the staff and the Barangay Captain himself. Another way for the barangay to gather issues in brgy. Baclaran is by doing a door-to-door consultations, this way they consult every household regarding their seen issues in Barangay Baclaran.

- Inadequate Financial System

Barangay Baclaran lacks of systems and technologies that they can use to store their financial records. They are mainly focused on paper-based processes, making it hard for them to keep track with their financial reports and audits. One of the interviewers asked Mr. Jun Zaide if they can provide financial report in one of their made projects. Although they have consent, the barangay cannot provide what they need since the paper is stock in the treasury room and there are pile of documentations in inside. Even if they manage to find one financial report it will take them days or hours looking for it.

- Inadequate Financial Literacy Among Barangay Residents

Most people living in Barangay Baclaran are mostly unknowledgeable when it comes to financial processes and management. It is easy for them to just assume that there are corruptions going inside their Barangay without properly understanding the through process one project should undergo. During the interview with the barangay Captain, Mr. Jun Zaide, the interviewer noticed that there are no programs, webinar or seminars to enlighten the people of barangay Baclaran regarding financial processes and management.

- Inadequate Financial Planning for Emergencies and Contingencies

The city government is the one that provides the barangay Baclaran budget for every project they make. Then the budget will be disseminated by the barangay then submit it again for finalization to the treasury. During the interview Mr. Jun Zaide stated that when the pandemic strike during his time sitting as the barangay Captain, there are no allotted budget for emergency use like the virus spread. They make it through the emergency and pandemic that time by making adjustment to their other projects, they pushed it back and provide those funds to health services and to aid the barangay Baclaran people during the pandemic.

- Transparency and Accountability


Mr. Jun Zaide stated during the interview that there is financial transparency in their barangay like financial reports and documentation, he also stated that they inform the people in barangay Baclaran through their Facebook page. As the interviewer checked its validity, the only transparency that the barangay means is their projects. Aside from the projects there are no legal documentation or financial report being posted in the said platform. The page of Cpt. Jun Zaide only posted from time-to-time regarding their project made and improvement, they also post a before and after to see the projects progress.

IV. Proposed Solutions

Identifying the barangay Baclaran's issues when it comes to Financial Management and Processes helps the interviewers to come up with the solutions regarding those problems and to help the barangay to improve their financial handling and processes. The following proposed solutions are listed below:

- Improved Financial Transparency

Using social media and other platforms can help improving financial transparency, not only for the residents but also for the committee of the barangay's different sectors. By making a complete and informative document regarding the projects of the barangay. Below is an example of informative project documents that shows all the budget and expenses in the TUP project named 'Fund raising for Teds Medical Needs'- a project that aims to help a cat, Ted, from TUP- Manila.



FUND RAISING FOR TED'S MEDICAL FEES (TUP CAT)

Feline Infections Peritonitis Ab Test (FIP-A PET CARE)	PHP 600.00
FeLV+FIV (A Pet Care)	PHP 1,000.00
Complete Blood Count (CBC Alovet 5 Part Analysis)	PHP 550.00
Blood Chemistry (Health Check 16 Seamaty)	PHP 1,500.00
Low Cost Spay (Cat) TNVR	PHP 1,000.00

TARGET FUND TO BE RAISED:
PHP 4,650.00



 @thecompawnionproject.tupcats
 thecompawnionproject.tupcats@gmail.com

Image: Target Fund Raised Needed for the Project

@thecompawnpionproject.tupcats
thecompawnpionproject.tupcats@gmail.com

Image 2: Medical Receipt and Results of Ted

@thecompawnpionproject.tupcats
thecompawnpionproject.tupcats@gmail.com

Image 3: Overall Expense of the Project

This shows the informative and complete financial document that is posted in the page of 'The Compawnpion Project: Aid for TUP Cats – Manila'. This is an example of financial transparency that barangay

Baclaran should acknowledge and provide for the residents and the barangay committee to ensure the financial safety and the projects legitimacy.

- Improve Financial Allocation to Different Sectors and Emergencies

Allocating funds is important to control the budget within the barangay. Below is an example budget allocation for the barangay Baclaran.

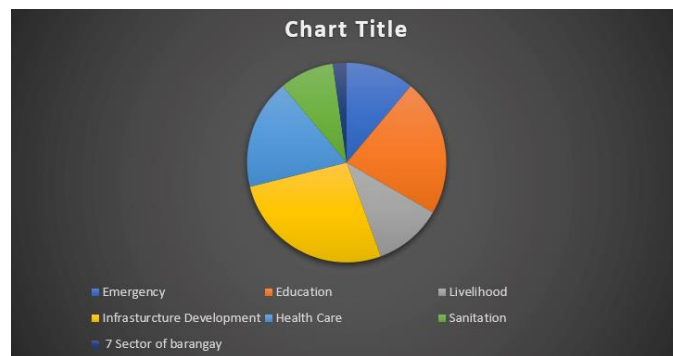


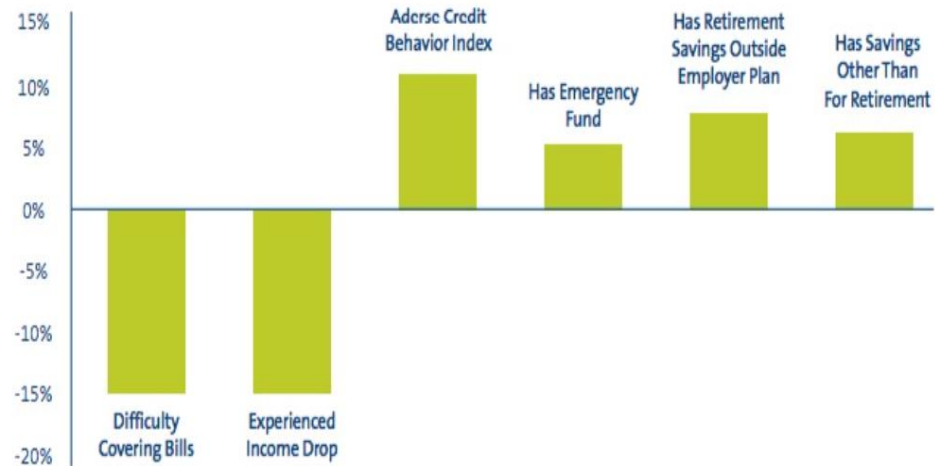
Figure 1; Pie Graph Example for Allotment of Budget

Above is just an example of how the barangay Baclaran should disseminate their budget so there will always be budget for emergency purposes or incidents like calamities, pandemic, natural disaster etc.

- Conduct Financial Literacy Program

Financial literacy program gives the residents of barangay Baclaran's the information and abilities they need to make wise financial decisions. One example of literacy program is Moneywise America which is conducted in Chicago. This program aims to trains 25% of the US company employees along with some student and teachers to have further knowledge about investing, financial management, student loans, saving, etc. Below shows how those people improve their financial living by the year 2018-2015(.

FIGURE 1. Veteran Financial Outcomes in 2018 vs. 2015



- Implement Financial Management Software and Digitize Workflows and Processes

The advancement of technology has brought today's generations into a new world. It is easy to access the internet, improve the processes so there will be no need for manual-laboring in terms of gathering data. Barangay Baclaran can make use of this advanced technology. They no longer need to make a door-to-door data gathering, Barangay staff can just post a survey or any google form in their specified platform like their Facebook page once every week. This way it is easy for them to monitor the needs and complaints of their residents. This way, it will also be beneficial for the barangay staff for they can do other important things that wasting their time doing the manual and paper-based data gathering. The barangay just needs to allot more financial funds in technology to improve their services and processes.

V. Expected Outcomes

Written here is the expected outcome of the proposed solution in the barangay Baclaran's current administrations issues in Financial Management and Processes. The expected outcome are written below to further understand the importance of having improved financial transparency, improve financial allocation to different sectors and emergencies, conducting financial literacy program, and implementing financial management software and digitize workflow and processes. Those proposed solution is expected to bring about significant positive outcomes for the barangay Baclaran and its residents.

Through improved financial transparency, the barangay Baclaran can foster trust, accountability, and active participation among the people. This promotes good governance, it discourages corruption, and attracts potential

partners and resources for community development. Enhanced budget allocation ensures that resources are effectively allocated to different sectors and emergencies. This leads to the provision of essential services, infrastructure development, and a higher quality of life for residents. The barangay can respond more effectively to emergencies and contingencies, strengthening its capacity for disaster management. By conducting financial literacy programs, residents gain the knowledge and skills to make informed financial decisions, improving their financial well-being and breaking the cycle of debt and poverty. This, in turn, boosts the local economy, encourages responsible spending, and supports small businesses. Implementing financial management software and digitizing workflows and processes streamlines financial operations, improves efficiency, accuracy, and compliance. Real-time financial reporting and data-driven decision-making enhance resource optimization, planning, and overall financial management. The barangay can save time and costs by reducing manual processes and paper-based work, allowing for better allocation of resources to community development projects.

Overall, the expected outcomes of these proposed solutions include increased accountability, trust, and cooperation among residents and stakeholders, improved service delivery and emergency response, enhanced financial literacy and well-being of residents, economic growth, streamlined processes, compliance with regulations, and cost savings. By embracing these solutions, Barangay Baclaran can transform its financial management practices, promote transparency, and ensure efficient utilization of resources. This contributes to the overall development and well-being of the community, fostering a thriving and prosperous barangay.

VI. Conclusion

In conclusion, the implementation of proposed solutions such as improving financial transparency, enhancing budget allocation, conducting financial literacy programs, and implementing financial management software while digitizing workflows and processes can bring significant positive outcomes to Barangay Baclaran.

Firstly, increased financial transparency fosters accountability, trust, and active participation from residents and stakeholders. It promotes good governance and discourages corruption, resulting in a more efficient and trustworthy administration. Secondly, improved budget allocation ensures that resources are allocated effectively to different sectors and emergencies. This leads to the provision of essential services, infrastructure development, and better emergency response, ultimately improving the quality of life for residents. Thirdly, conducting financial literacy programs empowers residents with knowledge and skills to make informed financial decisions. It helps break the cycle of debt and poverty, promotes responsible borrowing, and contributes to the overall financial well-being of the community. Fourthly, implementing financial management software and digitizing workflows streamlines financial operations, enhances accuracy, and provides real-time financial reporting. This improves decision-making, planning, and compliance, and ultimately leads to better financial management and resource utilization.

The expected outcomes include increased trust and cooperation among residents and stakeholders, improved service delivery, strengthened emergency response capabilities, enhanced financial literacy and well-being of residents, optimized resource allocation, improved financial reporting and compliance, and cost and time savings through streamlined processes. By implementing these solutions, Barangay Baclaran can transform its financial management practices, promote transparency, and ensure efficient utilization of resources, ultimately leading to the overall development and well-being of the community.

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