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Educational Financing Management Strategy in Improving the Quality of School Services

[1]Suwarni*, [1]Jumiati Siska, [1]Feby Elra Perdima, [2]Aurelio Jr., S. Gomez
Corresponding Author: *suwarni.dehasen01@gmail.com
[1] University of Dehasen, Bengkulu, Indonesia
[2] Brokenshire College of Davao, Davao, Philippines

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ABSTRACT

This study examines educational financing management strategies and their impact on the quality of school services at MTs Negeri 2 Bengkulu Tengah, an Islamic junior secondary school in Indonesia. Employing a qualitative case study design, data were collected through semi-structured interviews with the principal, treasurer, teachers, and school committee members, supported by non-participant observations and analysis of financial and planning documents, including the School Activity and Budget Plan (*Rencana Kegiatan dan Anggaran Sekolah* or RKAS) and School Operational Assistance (*Bantuan Operasional Sekolah* or BOS) realization reports. Data triangulation was applied to enhance credibility and analytical rigor. The findings reveal that the madrasah implements a strategic financing model characterized by participatory budget planning, priority-based allocation, transparent financial reporting, and multi-layered monitoring involving internal and external oversight. Empirical evidence demonstrates measurable impacts in three domains: (1) improvement of facilities and Information and Communication Technology (ICT) supported learning environments, (2) enhancement of teacher professional and digital competencies through targeted training allocation, and (3) strengthening of student services reflected in increased extracurricular participation and reduced absenteeism rates. Financial transparency and stakeholder engagement further contribute to strengthened public trust and institutional accountability. This study contributes to educational management scholarship by presenting an evidence-based financing governance model integrating strategic planning, participatory decision-making, and

continuous evaluation. The findings highlight that the effectiveness of educational financing depends not merely on the availability of funds but on strategic, transparent, and accountable management practices that align financial decisions with service quality improvement objectives.

Keywords
Accountability
Community Participation
Financing Management
Quality of School Services
Transparency

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Introduction

Quality education is the primary foundation for developing competitive human resources [1]. In achieving this goal, education financing plays a strategic role as it underpins the entire education process, from providing infrastructure and facilities to improving educator competency to meeting student needs [2]. However, the reality on the ground shows that the management of education financing in many educational institutions still faces various challenges, such as limited funding, dependence on a single funding source, and low managerial capacity to manage budgets effectively and transparently [3]–[4]. This situation directly impacts the quality of education services, particularly in Islamic schools (madrasah), which generally have limited access to alternative funding sources. Therefore, an appropriate financing management strategy is key to ensuring the achievement of sustainable and equitable school service quality.

Education financing is a fundamental aspect of providing quality education [5]. Effective financial management not only determines the availability of resources but also influences the quality of educational services provided by the school [6]. Madrasah Tsanawiyah (MTs), an Islamic junior secondary school, MTs Negeri 2 Bengkulu Tengah, is one educational institution striving to implement a systematic financing management strategy to improve the quality of school services. This school strives to optimize available funds through needs-based budget planning and involves various stakeholders in the decision-making process. This effort reflects the awareness that the quality of school services depends not only on the amount of funding available but also on how those funds are planned, used, and evaluated in an accountable manner. This research focuses on the financial management strategies implemented at MTs Negeri 2 Bengkulu Tengah and the extent to which these strategies contribute to improving the quality of educational services at the madrasah.

Educational financial management is part of the educational management function, encompassing planning, organizing, implementing, and monitoring the use of financial resources to achieve educational goals effectively and efficiently [7]–[8]. The effectiveness of financial management is determined not only by the amount of available funds but also by management strategies that integrate the principles of efficiency, transparency, and accountability [9]. Research by Harun et al. [10] indicates that the main weaknesses in school financial management in Indonesia lie in the lack of participatory planning and minimal diversification of funding sources. Meanwhile, a study by Ismail et al. [11] emphasized that the success of educational institutions in improving service quality is greatly influenced by the school's ability to optimize existing financial resources. Furthermore, research by Eleuwarin and Muslim [12] revealed that community involvement in the school budgeting process can strengthen transparency and increase public trust in educational institutions. However, most of this research focuses on public schools under the Ministry of Education, while the context of madrasah, particularly those under the Ministry of Religious Affairs, has rarely been studied in depth.

Madrasahs, in fact, have unique managerial characteristics, as they must balance the management of government funds with Islamic values and community participation. This gap is the crucial reason for conducting this research, to provide a more comprehensive understanding of financing management strategies in madrasah and their relevance to improving the quality of school services. This research is important because studies on education financing management at the madrasah level, particularly in institutions under the Ministry of Religious Affairs, have been relatively limited. Most previous research has focused on the management of Indonesia's BOS funds in public schools, while aspects of participatory and locally based financing strategies have not been discussed in depth [13]–[14]. Furthermore, existing studies generally focus on technical aspects of reporting and administration, rather than on how financing strategies directly contribute to improving the quality of education services. Therefore, this research fills this research gap by offering a more comprehensive analysis of the link between financing strategies and improving the quality of school services.

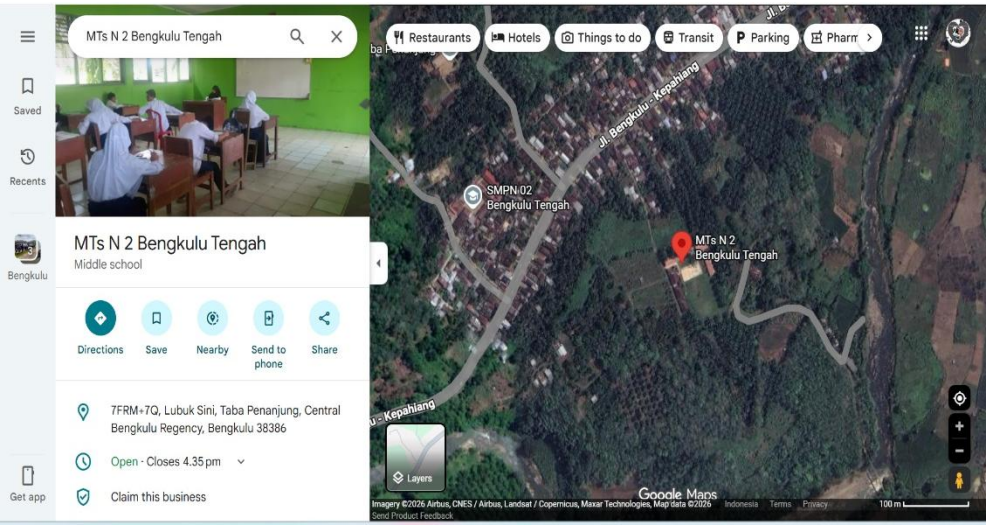
The novelty of this research lies in its emphasis on the role of community participation and financial transparency as key instruments in education financing management in madrasahs. This approach positions fund management not merely as an administrative activity but as a collaborative process that promotes accountability, efficiency, and continuous improvement in service quality. These findings are expected to enrich the literature on Islamic education management and serve as a strategic model that can be replicated in other madrasahs in Indonesia. Problems faced in education financing include limited funding,

dependence on school operational assistance, and a lack of diversification of alternative funding sources. On the other hand, transparency and accountability in financial management are increasingly demanded by the public. Therefore, this study focuses on analyzing the educational financing management strategy at MTs Negeri 2 Bengkulu Tengah and how this strategy impacts the quality of school services. This study aims to: (1) describe educational financing planning, (2) analyze the implementation of educational financing strategies, (3) identify the financing monitoring and evaluation system, and (4) assess the impact of financing strategies on the quality of school services.

Material and Methods

This study employed a qualitative approach with a descriptive design to explore educational financing management strategies in depth and within their real-life context. A qualitative approach was considered appropriate because it allows for a comprehensive understanding of the meaning, processes, and interactions underlying financial management practices in schools.

The study was conducted over three months, from July to September 2025, at MTs Negeri 2 Bengkulu Tengah, a madrasah (Islamic junior secondary school) located in Bengkulu Tengah Regency and operating under the supervision of the Ministry of Religious Affairs of Indonesia. As a public madrasah serving students from surrounding semi-urban and rural communities, the institutional context plays an important role in shaping financial planning priorities and stakeholder involvement. To provide geographical context and enhance research transparency, the location of the research site is presented in Fig. 1.



Source: Google Maps, accessed February 2026

Fig. 1. Geographical location of MTs Negeri 2 Bengkulu Tengah

The madrasah was selected purposively because it actively implements a needs-based and participatory financing system and optimizes government funding, particularly

Indonesia's School Operational Assistance (*Bantuan Operasional Sekolah* or BOS) program. This setting provided a relevant context for examining financing management strategies and their contribution to improving the quality of school services. A total of five informants participated in this study: the principal (P1), the school treasurer (P2), two teacher representatives (T1, T2), and one school committee member (C1). Informants were selected purposively based on their direct involvement in school financial planning, implementation, and monitoring processes. Data were collected through three primary techniques: (1) semi-structured interviews, (2) direct observation, and (3) document analysis. Semi-structured interviews were guided by open-ended questions such as (1) "How is the RKAS formulated?" (2) "How are BOS funds allocated and monitored?" and (3) "What challenges are encountered in ensuring transparency and accountability?" Each informant was coded to ensure confidentiality.

A sample verbatim statement from the treasurer (P2) illustrates the participatory budgeting process: "Budget planning is conducted at the beginning of the academic year through a coordination meeting involving the principal, teachers, and the school committee. Priority is given to programs directly supporting classroom instruction and student services" (P2). Observational data were systematically recorded in structured field notes during school meetings and financial reporting sessions. For example: Field Note, August 12, 2025: During the monthly financial evaluation meeting, the principal reviewed the BOS expenditure report and invited feedback from teachers and committee members regarding allocation priorities for the upcoming semester. Document analysis included official RKAS documents, BOS realization reports, meeting minutes, and semester evaluation reports. The 2024 RKAS document indicated that a significant portion of the annual budget was allocated to infrastructure maintenance, procurement of learning media, and teacher professional development. Documentary evidence was cross-checked with interview data and observational findings to ensure consistency and triangulation.

Data analysis followed a thematic coding procedure using the Miles and Huberman interactive model, which consists of data reduction, data display, and conclusion drawing/verification. Interview transcripts were coded inductively to identify recurring themes related to planning, implementation, transparency, monitoring, and service quality improvement. Codes were grouped into broader categories through iterative comparison across interviews, field notes, and documentary evidence. To ensure trustworthiness, this study applied four criteria: credibility, dependability, confirmability, and transferability. Credibility was strengthened through triangulation of data sources and member checking with key informants. Dependability was ensured by maintaining a detailed audit trail of research

procedures and coding decisions. Confirmability was supported through reflexive practices to minimize researcher bias. Transferability was enhanced by providing thick descriptions of the institutional context, enabling readers to assess the applicability of the findings to similar madrasah settings. In qualitative inquiry, the researchers functioned as the primary instrument in data collection and interpretation. Ethical considerations were maintained throughout the research process, including informed consent, confidentiality, and objective interpretation of findings.

This study involved human participants; therefore, ethical considerations were strictly observed. Before data collection, informed consent was obtained from all participants. They were provided with information regarding the purpose of the study, data collection procedures, and their rights to withdraw at any time without consequences. Participation was voluntary, and confidentiality was ensured by anonymizing participants' identities using coded references (e.g., P1, T1, C1). All data were used solely for research purposes and were handled securely to protect participants' privacy.

Results and Discussions

A. Education Financing Planning

Educational financing planning at MTs Negeri 2 Bengkulu Tengah is conducted through the annual formulation of the RKAS. Interview data indicate that the planning process involves multiple stakeholders. The treasurer explained:

> "Budget planning is conducted at the beginning of the academic year through a coordination meeting involving the principal, teachers, and the school committee. Priority is given to programs directly supporting classroom instruction and student services" (P2).

This participatory mechanism was also confirmed by a teacher representative:

> "We are invited to propose program needs, especially related to teaching materials and student activities. However, not all proposals can be accommodated due to limited funds" (T1).

Observational findings further support this statement. During a financial planning meeting (Field Note, August 12, 2025), teachers actively discussed allocation priorities, particularly regarding infrastructure maintenance and learning media procurement. The meeting minutes documented that budget decisions were ratified through collective deliberation. Documentary analysis of the 2024 RKAS shows that funding allocations were structured into priority categories, including infrastructure maintenance, instructional support, and limited professional development programs. The documented allocation patterns are consistent with interview statements, indicating alignment between formal planning documents and reported practices. However, empirical data also reveal certain constraints. Several teachers noted that allocations for training and professional development remain limited compared to the increasing demand for digital competency development. One teacher stated:

> "Training opportunities are available, but the budget is not sufficient to support all teachers, especially for digital learning workshops" (T2).

This finding illustrates the tension between participatory planning ideals and financial limitations.

Educational financing planning is the initial stage that significantly determines the overall effectiveness of school financial management [15]. According to Mulyasa [15], financing planning is a systematic process for identifying educational needs, setting priorities, and determining funding allocations to achieve educational goals efficiently. In the context of MTs Negeri 2 Bengkulu Tengah, this process is realized through the preparation of the school activity and budget plan annually, involving various stakeholders, such as the principal, treasurer, teachers, and the school committee. This participatory approach aligns with Fattah [16] view that the participation of all school elements in financial planning can foster a sense of ownership and responsibility for its implementation. Furthermore, research by Adriansyah and Maftuhah [17] shows that participatory planning promotes transparency and reduces the potential for misuse of school funds. These findings align with practices at MTs Negeri 2 Bengkulu Tengah, where each activity plan and budget are discussed collectively through school meetings and ratified through a deliberation mechanism.

Thus, the planning process is not merely administrative but also serves as a means of building communication between the school and the community [18]. However, interview results indicated that there are still obstacles in aligning funding allocations with the actual needs for improving service quality. Several teachers assessed that funding allocations for training and professional development are still limited compared to the need for competency development in the digital era. This situation supports the findings of Sari and Wibowo [19], who emphasized that one of the biggest challenges in managing education funding in Indonesia is the imbalance between the need for quality improvement and budget availability. From a strategic management theory perspective, Mintzberg [20] explained that effective planning must be adaptive to environmental changes and organizational needs. This principle is reflected in MTs Negeri 2 Bengkulu Tengah's efforts to adapt its work plan and budget to the dynamics of the school operational assistance policy and the development of the Merdeka Belajar curriculum.

The school has also begun integrating a data-driven approach through evaluating student learning outcomes and teacher training needs to determine funding priorities. This demonstrates efforts to implement data-driven planning, an approach that, according to Yolanda and Wahyuni [21], can help educational institutions allocate resources more effectively. The involvement of the school committee also strengthens financial governance. As noted by a committee representative:

"We review the proposed budget and provide input to ensure transparency and fairness in allocation" (C1).

The involvement of the school committee in the planning process also demonstrates the implementation of good governance principles in education. Langella et al. [22] emphasized that good financial governance requires transparency, accountability, and public participation. At MTs Negeri 2 Bengkulu Tengah, the school committee not only acts as an advisor but also reviews and provides considerations regarding funding priorities. This practice demonstrates that the madrasah has implemented the principle of social accountability in managing public funds.

Overall, the financial planning strategy at MTs Negeri 2 Bengkulu Tengah demonstrates an integration of administrative and participatory approaches. This process has positively impacted public trust and the effectiveness of fund use. However, to ensure planning is more oriented toward improving service quality, financial analysis capacity at the school level is needed, as is the utilization of information technology in the preparation of the school budget to make planning more transparent, efficient, and data-driven.

To enhance clarity and provide a structured synthesis of the findings related to educational financing planning, Table 1 summarizes the key themes, supporting empirical evidence, and analytical implications derived from interviews, observations, and document analysis. This table highlights how participatory planning mechanisms and priority-based allocation practices shape the financial governance framework at MTs Negeri 2 Bengkulu Tengah.

Table 1. Summary of Educational Financing Planning

Dimension	Key Findings	Supporting Evidence	Implication
Planning Mechanism	Annual RKAS is formulated through participatory coordination meetings	Interview, observation of planning meeting, and the RKAS document	Reflects deliberative and participatory governance
Priority Setting	Budget allocated based on instructional and student service needs	Interview, teacher proposal process	Demonstrates needs-based allocation under financial constraints
Governance Principle	Involvement of the school committee in planning review	Interview, meeting documentation	Strengthens transparency and social accountability

As presented in Table 1, educational financing planning at the madrasah is characterized by participatory deliberation and needs-based prioritization. Although budget constraints limit the accommodation of all proposals, the structured involvement of stakeholders strengthens transparency and shared responsibility. This indicates that planning functions not merely as an administrative requirement but as a governance mechanism that builds institutional accountability and collective commitment to service quality improvement.

B. Financing Strategy Implementation

The implementation of the education financing strategy at MTs Negeri 2 Bengkulu Tengah prioritizes the principles of efficiency, effectiveness, and transparency. According to Dahuri et al. [23] sound financing implementation must be oriented toward optimal resource utilization to achieve educational goals without sacrificing service quality. This principle is reflected in the madrasah's policy, which prioritizes the use of funds for activities that directly impact the teaching and learning process, such as the procurement of learning media, maintenance of infrastructure, and improvement of teacher competency. Interview data indicate that funding priorities are directed toward activities that directly support the teaching and learning process. The principal explained:

> "We prioritize spending on learning media, classroom facilities, and programs that directly affect students' learning experiences" (P1).

This statement is consistent with the treasurer's explanation: "Budget implementation follows priority needs. Infrastructure maintenance and teaching materials are always placed at the top of the allocation list" (P2).

Observational evidence supports these claims. During routine financial coordination activities (Field Note, August 20, 2025), discussions focused primarily on classroom renovation and procurement of instructional materials. Documentary analysis of expenditure reports also shows that the largest proportion of realized spending was allocated to infrastructure improvement and learning support facilities. Observations indicate that the madrasah implements a priority system in allocating funds, with primary needs such as classroom renovation, the procurement of teaching aids, and the provision of teaching materials being the primary focus. This aligns with Lunenburg and Ornstein [24] opinion, which emphasizes that education financing should be directed toward supporting effective learning processes, rather than merely meeting administrative needs. Therefore, the implementation strategy at MTs Negeri 2 Bengkulu Tengah demonstrates a strong focus on improving academic and non-academic quality.

In addition to efficiency, the principle of transparency is a key pillar in financing implementation. Transparency constitutes another central dimension of financing implementation. Interview data reveal that financial reports are openly displayed and discussed with stakeholders. A school committee member stated:

> "Financial reports are shared openly. We can review them and ask questions if there are unclear expenditures." (C1).

This transparency was observed in practice through the public display of financial summaries on school information boards and their discussion during evaluation meetings (Field Note, August 25, 2025). Transparency is demonstrated through the publication of financial reports

on the bulletin board and the involvement of the school committee in the evaluation process. According to Niwagaba [25], financial transparency in schools serves as an instrument of social control that strengthens public trust in educational institutions. This research finding also supports the study by Adriansyah and Maftuhah [17], which showed that schools with open reporting systems tend to have higher community participation in supporting educational activities. Madrasahs have also begun implementing a strategy of diversifying funding sources by exploring potential collaborations with alumni and external parties, although this is still in its early stages.

In addition to managing government funding, the madrasah has begun exploring alternative funding sources. The principal noted:

> "We are trying to collaborate with alumni and external partners, although these initiatives are still developing" (P1).

While diversification efforts remain limited, they represent an emerging strategy to reduce dependence on BOS funds. Previous studies highlight that sustainable educational quality depends on the development of non-governmental funding sources [26]. This funding innovation is a crucial step in reducing dependence on the limited and routine school operational assistance funds. The implementation process also reflects collaborative decision-making. Teachers actively contribute to determining budget priorities based on classroom needs. One teacher explained:

> "We provide input about what students need in class, and this becomes part of the budgeting discussion" (T2).

This participatory practice aligns with shared decision-making principles in educational management, which promote collective responsibility for program success. Furthermore, the involvement of teachers and education personnel in budgetary decision-making demonstrates collaborative management practices. This aligns with the principle of shared decision-making in educational management theory, which, according to Owens and Valesky [27], can foster a sense of ownership and shared responsibility for the success of school programs.

In practice, teachers not only implement activities but also provide input in determining budget priorities according to classroom learning needs. However, the implementation of the financing strategy at MTs Negeri 2 Bengkulu Tengah still faces several challenges. One of these is the limited managerial skills of the treasurer and administrative staff in using digital reporting applications. Despite these strengths, empirical data reveal operational challenges. The treasurer acknowledged:

> "Digital financial reporting is sometimes difficult because not all administrative staff are fully trained in using the applications" (P2).

These limitations were also reflected in the delayed submission of certain financial documents observed during administrative reviews (Field Note, August 28, 2025). Such challenges

underscore the importance of strengthening digital competencies in school financial management, a factor widely recognized as essential in the contemporary educational environment. Overall, triangulated evidence from interviews, observations, and documents demonstrates that the financing strategy implementation at MTs Negeri 2 Bengkulu Tengah balances efficient resource allocation, transparency, and stakeholder participation. Although capacity constraints remain, the madrasah exhibits a governance model oriented toward accountability and continuous improvement in service quality.

This obstacle results in delays in the preparation of financial reports and the disbursement process. This phenomenon reinforces the findings of [28], who stated that mastery of information technology is a crucial aspect of effective school financial management in the digital era. Therefore, increasing human resource capacity in financial administration needs to be a priority for more efficient implementation of the financing strategy. Overall, the implementation of the financing strategy at MTs Negeri 2 Bengkulu Tengah demonstrates a balance between efficient use of funds, transparent reporting, and stakeholder participation. This practice reflects the application of good school governance principles, where financial management is carried out openly, accountably, and collaboratively. This approach has been proven to strengthen public trust in the madrasah and create an educational environment oriented towards continuous improvement in service quality.

To systematically present the findings concerning financing implementation, Table 2 synthesizes the main implementation strategies, empirical evidence, and their governance implications. The table illustrates how allocation decisions, transparency practices, and operational challenges interact within the broader financial management system.

Table 2. Summary of Financing Strategy Implementation

Dimension	Key Findings	Supporting Evidence	Implication
Priority-Based Allocation	Funds focused on infrastructure, ICT, and teaching materials	Interview, BOS realization report, field notes	Aligns financial use with instructional improvement
Transparency Practices	Financial reports publicly displayed and discussed	Observation of information board, Interview	Enhances public trust
Funding Diversification	Initial efforts to collaborate with alumni/external partners	Interview	Reduces dependence on BOS funding
Operational Challenge	Limited digital financial reporting skills	Interview, administrative observation	Indicates need for HR capacity strengthening

Table 2 demonstrates that financing implementation at MTs Negeri 2 Bengkulu Tengah reflects a balance between efficiency and transparency. Priority-based allocation ensures that

funds directly support instructional quality, while public reporting mechanisms reinforce trust and accountability. However, the presence of technical constraints in digital financial reporting indicates the need for continuous capacity development to optimize implementation effectiveness.

C. Financing Monitoring and Evaluation

Monitoring and evaluation are crucial stages in the education financing management cycle, as they ensure that all allocated funds are used effectively, efficiently, and in accordance with planned objectives. According to Terry [29], the monitoring function in management aims to measure activity results and compare them with established standards, then take corrective action if any deviations are found. In the educational 4context, financial monitoring is not merely about ensuring administrative compliance but also part of a mechanism to improve the quality of educational institutions through public accountability controls. MTs Negeri 2 Bengkulu Tengah implements a multi-layered monitoring system involving two main parties: internal monitoring by the madrasah principal and the school committee, and external monitoring by the Ministry of Religious Affairs of Bengkulu Tengah Regency. Internal monitoring is carried out through monthly evaluation meetings that discuss budget realization reports and the effectiveness of implemented activities.

Internal monitoring is conducted through monthly evaluation meetings involving the principal, treasurer, and school committee. The principal explained:

> "Every month we review the realization of the budget and compare it with the RKAS plan. If there are discrepancies, we discuss corrective steps" (P1).

This statement was corroborated by observational data. During a financial evaluation meeting (Field Note, August 25, 2025), the principal reviewed expenditure summaries and requested clarification on several budget items before approving the next disbursement phase. Meeting minutes documented follow-up actions, including adjustments to program allocations. The treasurer further elaborated:

> "We prepare detailed financial reports, and these are examined internally before being submitted to the Ministry of Religious Affairs" (P2).

Documentary analysis of BOS realization reports confirmed that expenditure documentation followed national reporting formats, indicating procedural compliance. External monitoring is conducted periodically by the Ministry of Religious Affairs of Bengkulu Tengah Regency. According to the treasurer:

> "External audits ensure that BOS funds are used according to national technical guidelines. We must provide complete documentation during inspections" (P2).

This process demonstrates the application of the internal control system principle, as explained by Fattah [16], namely a control mechanism within the institution to ensure the

integrity and reliability of financial reporting. Meanwhile, external audits are conducted periodically to assess the compliance of the use of BOS funds with national guidelines.

The findings of this study align with those of Sari and Wibowo [19], who emphasized the importance of external stakeholder involvement in the education funding oversight process to prevent irregularities and increase public transparency. At MTs Negeri 2 Bengkulu Tengah, the involvement of the school committee in internal audits is one form of social accountability implementation, where the community plays a role in maintaining the credibility of education funding management. Funding evaluations are conducted periodically every semester to assess the effectiveness and efficiency of implemented programs.

This evaluation uses a feedback loop approach, where evaluation results serve as the basis for improving planning for the following period. This approach aligns with the theory of continuous improvement, which emphasizes the importance of a continuous evaluation cycle for improving organizational quality [30]. Interviews revealed that the madrasah principal used financial evaluation results to adjust funding priorities, for example, by redirecting some funds to teacher training and improving student services based on monitoring recommendations. The principal stated:

> "The results of financial evaluation influence the following year's planning. For example, after reviewing last year's performance, we increased the allocation for teacher training and ICT facilities" (P1).

Documentary comparison between the 2023 and 2024 RKAS indicates a measurable increase in funding allocated to ICT procurement and professional development programs. Teachers also perceived the impact of this adjustment:

> "Since the school invested more in digital learning tools, classroom activities have become more interactive and efficient" (T1).

These research findings also confirm the findings of Hidayat et al. [31] stated that schools with a structured financial evaluation system have better service performance than those that do not conduct periodic evaluations. At MTs Negeri 2 Bengkulu Tengah, financial evaluations focus not only on administrative aspects but also on their impact on the quality of educational services. For example, the results of the previous year's evaluation showed that an increase in the budget for ICT procurement had a positive impact on learning outcomes and the effectiveness of digital learning.

However, this study also found that the monitoring and evaluation process still faces human resource limitations, particularly in terms of financial report analysis and digital reporting capabilities. The treasurer acknowledged:

> "We still face difficulties in analyzing financial data digitally, especially when preparing reports within tight deadlines" (P2).

Observational notes from administrative review sessions (Field Note, August 28, 2025) recorded delays in digital report submission due to limited technical proficiency among staff. This condition aligns with the findings of Fiandi and Junaidi [32], who showed that many secondary educational institutions still experience technical challenges in implementing data-based reporting systems. Therefore, ongoing training and technical guidance are needed to ensure more effective monitoring and evaluation of finances and produce targeted recommendations. Thus, the monitoring and evaluation system at MTs Negeri 2 Bengkulu Tengah demonstrates a serious effort to implement the principles of transparency, accountability, and continuous improvement. This practice strengthens the position of madrasah as institutions that are not only administratively compliant, but also have a commitment to improving the quality of educational services based on professional financial governance.

To clarify the structure and function of monitoring and evaluation practices, Table 3 summarizes the internal and external oversight mechanisms, supporting data sources, and their institutional implications. This synthesis highlights how compliance-based supervision is integrated with developmental evaluation processes.

Table 3. Summary of Monitoring and Evaluation

Dimension	Key Findings	Supporting Evidence	Implication
Internal Monitoring	Monthly evaluation meetings reviewing budget realization	Interview, meeting minutes, field notes	Ensures alignment between plan and realization
External Oversight	Periodic audit by Ministry of Religious Affairs	Interview, audit documentation	Strengthens compliance and accountability
Feedback Mechanism	Evaluation results inform next-year budget adjustments	RKAS comparison 2023–2024, Interview	Demonstrates continuous improvement cycle
Implementation Constraint	Limited analytical and digital reporting capacity	Interview, delayed reporting observation	Highlights need for technical training

As shown in Table 3, monitoring and evaluation at the madrasah operate through a multi-layered system combining internal review meetings and external audits. Importantly, evaluation outcomes inform subsequent planning decisions, reflecting a continuous improvement cycle rather than mere administrative compliance. Despite existing human resource limitations, the structured oversight mechanism strengthens institutional accountability and strategic alignment.

D. Impact on the Quality of School Services

The implementation of educational funding management strategies at MTs Negeri 2 Bengkulu Tengah has been proven to have a positive impact on improving the quality of school

services. Triangulated data from interviews, observations, and document analysis reveal impacts in three principal domains: (1) facilities and infrastructure, (2) teacher competency development, and (3) student services enhancement. These three aspects demonstrate that effective and transparent financial management can be a key factor in building a culture of quality in the educational environment. This view aligns with the Total Quality Management (TQM) theory in education proposed by Arcaro [33], which states that improving educational quality can only be achieved if all school components work synergistically through a planned management system oriented toward user satisfaction (students, teachers, and the community).

From the aspect of facilities and infrastructure, research results indicate that sound financial planning and oversight lead to improvements in learning facilities, such as more representative classrooms, simple laboratories, and the availability of learning technology devices. Interview data demonstrate that strategic allocation of funds has directly supported the improvement of learning facilities. The principal stated:

> "After reallocating part of the budget to infrastructure, we renovated several classrooms and added digital learning equipment to support interactive teaching" (P1).

This claim was supported by observational evidence (Field Note, August 22, 2025), which documented the use of LCD projectors and improved classroom layouts during instructional activities. Comparative document analysis of the RKAS (2023–2024) indicates an increased proportion of expenditure dedicated to facility maintenance and ICT procurement. Teachers perceived these changes as influencing instructional effectiveness:

> "Learning is now more engaging because we can use digital media regularly. Students are more attentive and participative" (T1).

These findings illustrate how strategic financial management translates into tangible improvements in the learning environment, consistent with Total Quality Management (TQM) principles in education, which emphasize systemic and continuous quality enhancement.

At MTs Negeri 2 Bengkulu Tengah, funding for facility improvements has been proven to improve learning comfort and expand student activity spaces. Furthermore, the provision of technology-based learning media also strengthens the implementation of the Merdeka Belajar curriculum, which emphasizes active and contextual learning. Regarding teacher competency improvement, the funding strategy focuses on providing funds for training, workshops, and ongoing professional development. These programs provide opportunities for teachers to improve their pedagogical and digital literacy skills. Funding allocation for professional development emerged as another significant impact area. The principal explained:

> "Evaluation results showed that we needed to strengthen teacher digital literacy, so we increased the training budget" (P1).

Document analysis confirmed the inclusion of workshops and training programs in the revised annual budget. Teachers acknowledged the benefits:

> "The training helped us understand digital platforms better. Now we can design more interactive lesson plans" (T2).

This indicates that financial decisions were not merely administrative but strategically directed toward human resource development. Such findings support prior research emphasizing teacher competency as a long-term investment influencing educational service quality. According to Nugroho [34], improving teacher competency is a long-term investment that directly impacts the quality of educational services. Therefore, the funding allocation strategy at MTs Negeri 2 Bengkulu Tengah can be said to be oriented toward human resource development as a core element of quality improvement.

Student services at the madrasah have also seen significant improvements. Funds allocated for extracurricular activities, guidance and counseling, and school health services contribute to improved student well-being and satisfaction. A guidance counselor noted:

> "With better support for extracurricular and counseling activities, students are more motivated and discipline issues have decreased" (C2).

School attendance records reviewed during document analysis show a slight but consistent decrease in absenteeism rates over the past academic year. Observations during extracurricular sessions (Field Note, August 27, 2025) revealed higher student participation compared to prior documentation. These findings suggest that financial governance affects not only academic processes but also student well-being and engagement key indicators of educational service quality.

The quality of educational services is determined not only by academic success but also by the school's ability to provide supporting services that shape students' character and psychological well-being [35]–[36]. At MTs Negeri 2 Bengkulu Tengah, increased student participation in school activities and decreased absenteeism rates are indicators that the quality of student services has improved. Furthermore, this study also found that financial transparency and community involvement in budgetary decision-making increased public trust in the madrasah. A school committee member stated:

> "Because we are involved in reviewing the budget, the community feels confident that funds are used responsibly" (C1).

Public display of financial summaries and participatory meetings were consistently observed as mechanisms reinforcing social accountability. This situation reinforces the stakeholder involvement theory in educational management [27], which states that active stakeholder participation contributes to the institution's social legitimacy and strengthens commitment to quality improvement. At MTs Negeri 2 Bengkulu Tengah, the community and school committee

are not only recipients of information but also strategic partners in overseeing the implementation of educational programs.

Another positive impact of implementing an effective financing strategy is increased efficiency in fund use and clarity in the direction of school development. Based on documentation, the madrasah was able to reduce budget waste by prioritizing activities that directly impact the learning process. This aligns with the value-for-money principle in public management [37], which emphasizes the importance of efficiency, effectiveness, and economy in managing public funds. Therefore, the financing strategy at MTs Negeri 2 Bengkulu Tengah not only improves service quality but also strengthens a transparent and results-oriented organizational culture. Overall, the results of this study confirm that well-planned, transparently implemented, and continuously monitored educational financing management has a tangible impact on improving the quality of school services. These findings emphasize that the success of a madrasah is not solely determined by the amount of funds it has, but rather by how those funds are managed strategically, collaboratively, and accountably to support the achievement of educational goals.

To provide a concise overview of the multidimensional impacts of educational financing management, Table 4 synthesizes the observed improvements in facilities, teacher competency, student services, and institutional trust, along with the corresponding empirical evidence. This summary facilitates a clearer understanding of how financial governance translates into service quality enhancement.

Table 4. Summary of Impact on School Service Quality

Dimension	Key Findings	Supporting Evidence	Implication
Facilities & ICT	Renovated classrooms and increased digital media use	Field notes, RKAS data, Interview	Improved learning environment
Teacher Competency	Increased professional and digital training	Interview, training documents	Strengthened instructional capacity
Student Services	Increased participation and reduced absenteeism	Attendance records, observation	Enhanced student engagement
Institutional Trust	Strengthened community confidence through transparency	Interview, public reporting practice	Increased social legitimacy

Table 4 confirms that strategic, transparent, and participatory financing management produces tangible improvements in both academic and non-academic service dimensions. The evidence demonstrates that the effectiveness of educational financing is not determined solely

by the volume of available funds, but by the alignment between financial decisions and institutional quality objectives. These findings reinforce the study's conclusion that accountable financial governance is a critical driver of sustainable school service improvement.

Conclusion

Based on the research results, it can be concluded that the educational financing management strategy at MTs Negeri 2 Bengkulu Tengah has been systematically implemented through four main stages: planning, implementation, monitoring, and evaluation. Each stage demonstrates the integration of the principles of efficiency, transparency, and public participation. Planning is carried out in a participatory manner through the preparation of the RKAS involving the principal, treasurer, teachers, and committee; implementation emphasizes optimizing the use of funds for activities oriented towards improving the quality of learning; monitoring is carried out through internal and external audits that ensure financial accountability; and evaluation serves as a basis for continuous improvement. This strategy has had a positive impact on improving the quality of school services, particularly in three key aspects:

- improving learning facilities and infrastructure to support comfortable learning;
- improving teacher competency through training and ongoing professional development; and
- strengthening student services oriented towards welfare and character.

The success of this madrasah demonstrates that the effectiveness of financing depends not only on the amount of available funds but also on how funds are managed strategically, transparently, and accountably.

Theoretically, this research enriches the study of educational financing management by emphasizing the importance of a participatory approach and the principles of good governance in improving the quality of educational services. This research also adds to the empirical literature on the context of madrasahs under the Ministry of Religious Affairs, which has been relatively under-discussed in educational management studies. From a policy perspective, the results of this study emphasize the need to strengthen the managerial capacity of madrasah principals and school treasurers in digital-based financial planning and reporting to enhance transparency and accountability. Practically, the research findings imply that educational institutions, particularly madrasahs, need to develop strategies to diversify their funding sources to avoid relying solely on BOS funds. Partnerships with the community, alumni, the business world, and zakat institutions or Corporate Social Responsibility (CSR) can be a solution for building a sustainable financing system. Furthermore, strengthening information technology-based monitoring systems is necessary to minimize the potential for

administrative errors and improve the efficiency of financial reporting. Thus, this study confirms that a sound financing management strategy is not merely an administrative instrument but also part of an institutional transformation effort toward quality, participatory, and sustainable education governance. The management model implemented at MTs Negeri 2 Bengkulu Tengah can serve as a reference for other madrasahs in implementing educational financing management oriented toward service quality and stakeholder satisfaction.

Limitation and Suggestions

This study has several limitations that should be considered when interpreting its results. First, the study was conducted in only one location, namely MTs Negeri 2 Bengkulu Tengah, so the results cannot be generalized to all madrasahs in Indonesia, which have different socio-economic and managerial conditions. Second, this study used a descriptive qualitative approach that focuses on in-depth analysis of phenomena, thus not presenting quantitative data that can specifically measure the relationship between financing strategies and the quality of school services. Third, the relatively limited research timeframe prevented comprehensive observations of long-term changes in financial management. Based on these limitations, future research is recommended to expand the study area to include several madrasahs in different regions to obtain a more comprehensive picture of education financing management patterns at the national level. Furthermore, a mixed methods approach can be used to combine the strengths of qualitative and quantitative analysis, allowing for a more objective measurement of the relationship between financing variables and the quality of education services. Future research should also highlight contextual factors such as school leadership, organizational culture, and the use of information technology in financial reporting systems. Thus, the research results can contribute more broadly to the development of an adaptive, transparent, and sustainable education financing management model.

Conflict of Interest

The author declares that there is no conflict of interest in the research, writing, or publication of this article.

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Authors



Suwarni is a lecturer in the Undergraduate Program of Physical Education, Faculty of Teacher Training and Education, at Dehasen University, Bengkulu, Indonesia. She currently teaches in the Physical Education Study Program and is actively involved in academic and research activities. Her research interests include educational finance and educational evaluation, particularly in relation to improving institutional effectiveness and learning quality. Through her teaching and scholarly work, she contributes to the advancement of education and physical education studies. (email: suwarni.h13@gmail.com).



Jumiati Siska is a lecturer at Dehasen University, Bengkulu, Indonesia, with academic involvement in graduate education, particularly in educational management and educational technology. She currently serves in the Master of Educational Management Study Program. Her research interests include learning media, educational technology, computer-based evaluation, microteaching, computer education seminars, and learning development. She has been actively engaged in teaching, research, and academic development to support innovation and quality improvement in higher education. (email: jesiskaalghazali@unived.ac.id).



Feby Elra Perdima is a lecturer in the Undergraduate Program of Physical Education, Faculty of Teacher Training and Education, at Dehasen University, Bengkulu, Indonesia. He currently teaches in the Physical Education Study Program and participates in academic activities related to teaching, research, and student development. His research interests focus on educational administration and sports education management, particularly in supporting effective educational governance and the development of physical education programs in higher education. (email: feby.elra@unived.ac.id).



Aurelio Jr., S. Gomez is a lecturer in the Department of Business and Management Education at Brokenshire College Inc., Davao, Philippines. His academic interests span arts and sciences, business management, and education. His recent publications focus on numeracy development, English language teaching, parental awareness of the K to 12 curriculum, and parental involvement in elementary education. Through his scholarly work, he contributes to research on teaching practices, curriculum implementation, and student learning improvement. (email: arthuralastra@gmail.com).