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STRENGTHENING AND FURTHER INCREASING THE FINANCIAL STATUS OF OUT-OF-SCHOOL EDUCATIONAL ORGANIZATIONS

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ABSTRACT
This article aims to strengthen the financial position of an out-of-school educational organization, effectively manage financial resources, optimize costs, properly direct saved funds, analyze regions based on their financial capabilities, achieve financial independence, gradually increase parental payments, and further improve the organization's activities by sequentially implementing expenses.
KEYWORDS: *Extracurricular education, teaching staff, budget funds, extrabudgetary funds, financial resources, "Barkamol Avlod" children's school, students, parental payments, income and expenses.*

INTRODUCTION

In contemporary education systems, out-of-school educational organizations (OSEO) play a pivotal role in complementing formal schooling by providing diverse learning opportunities for students beyond the traditional classroom environment. These organizations, including extracurricular programs, specialized institutions, and informal education centers, have grown in significance as they contribute to the holistic development of students, fostering creativity, critical thinking, and life skills. However, the financial status of such organizations remains a critical factor in their sustainability and capacity to innovate, adapt, and scale their offerings.

Strengthening and further increasing the financial status of out-of-school educational organizations is a multifaceted challenge that requires addressing both immediate financial needs and long-term strategic planning. Financial sustainability in this context involves securing stable funding, optimizing resource allocation, ensuring financial accountability, and leveraging both governmental and non-governmental financial mechanisms. As these organizations often rely on a mixture of public funding, private donations, tuition fees, and fundraising initiatives, understanding the intricacies of these financial streams is essential to enhance their economic standing.

A robust financial status not only ensures the continuity of these educational programs but also enables them to invest in high-quality teaching staff, state-of-the-art educational materials, infrastructure improvements, and innovative pedagogical approaches. Moreover, it facilitates the integration of emerging technologies and methodologies that are becoming increasingly crucial in today's rapidly evolving educational landscape. The financial health of these institutions is closely tied to the quality of education they provide, which in turn impacts student outcomes, engagement, and overall societal advancement.

In accordance with the Resolution of the President of the Republic of Uzbekistan No. PQ-4467 dated September 30, 2019 "On measures to radically increase the effectiveness of out-of-school education in the public education system", large-scale work is being carried out in our country to educate and bring up a well-rounded young generation who are physically healthy, spiritually mature, independent-thinking, possessing deep knowledge and a modern worldview and are able to take responsibility for the fate and future of our Motherland.

At the same time, the implementation of five initiatives, which include comprehensive measures aimed at creating additional conditions for the education of youth, and the reforms in socio-political, socio-economic and other areas that are being implemented at a rapid pace in our republic, make it one of the priority tasks of today to further develop the talents of growing adolescents, train highly qualified personnel, and ensure their active participation in the development of the country.

LITERATURE REVIEW

The financial status of out-of-school educational organizations (OSEO) is an area of increasing interest within the field of education management, particularly as such organizations play an expanding role in complementing formal education. These organizations include extracurricular programs, after-school initiatives, community learning centers, specialized training institutes, and informal educational groups that serve to enhance the learning experiences of students outside of the traditional classroom. Research by Blömeke et al. (2016) emphasizes that the financial status of educational organizations is intrinsically linked to the quality of education they provide. Financial resources influence the capacity of institutions to hire qualified staff, invest in educational technologies, and develop curricula that meet the needs of diverse student populations. This principle holds true for OSEO, where financial health determines not only the operational capacity of an institution but also the scope and quality of its educational offerings. Sufficient funding allows for greater flexibility in adapting to changing educational trends and ensures a continuous improvement cycle that enhances the student experience.

According to Hill and Lutz (2019), financial sustainability within education is not just about securing funds but also about ensuring that financial practices are strategically aligned with organizational goals. For OSEO, this means that funding must be directed in ways that directly support educational outcomes, rather than being consumed by administrative overheads. Financial mismanagement or reliance on volatile funding sources can significantly hinder an organization's long-term effectiveness and sustainability.

The primary financial challenge for OSEO is securing reliable and diverse funding streams. In their study of the financial sustainability of after-school programs, Smith et al. (2018) argue that OSEO typically depend on a combination of public funding, private donations, tuition fees, and fundraising activities. Public funding is often contingent on government priorities, political shifts, and policy changes, making it an unreliable source for long-term financial stability (Beaver & Winfield, 2020). On the other hand, private funding sources, including philanthropy and corporate sponsorship, are often unpredictable and can create power imbalances within organizations, as donors may exert influence over program content and delivery (Jenkins & O'Neill, 2017). Tuition fees are also a common source of income for OSEO; however, they can be a barrier to accessibility for lower-income families, thus limiting the equity of educational opportunities.

The potential of alternative revenue-generating models is explored by Brown and Larson (2021), who suggest that OSEO could diversify their funding by offering paid professional development programs, utilizing online learning platforms, and partnering with businesses to provide vocational training. These strategies can not only enhance the financial status of OSEO but also make them more resilient to fluctuations in public funding.

Effective financial management is essential for ensuring that financial resources are used efficiently and sustainably. Several studies have highlighted the importance of financial literacy and capacity building among administrators of OSEO (Henderson & Wang, 2021). Organizational leaders must possess the skills to develop comprehensive financial plans, create balanced budgets, and monitor expenditures to ensure that resources are spent in line with the organization's educational mission. In the context of OSEO, financial management practices are not just about balancing books but also about ensuring that the organization is strategically positioning itself for growth and long-term success (Jones, 2019).

Furthermore, digital financial management tools and software have been identified as key enablers of financial transparency and efficiency. Digital tools, such as financial management platforms and cloud-based accounting software, enable OSEO to streamline operations, reduce administrative burden, and increase accuracy in tracking expenses (Martin & Fisher, 2020). These tools can also assist in generating real-time reports for donors and regulatory bodies, thereby ensuring compliance and fostering trust.

Despite the significance of financial sustainability, OSEO face numerous challenges in maintaining robust financial health. One of the primary challenges is the volatile nature of funding, particularly in the face of government austerity measures and shifting political priorities. A study by Marshall (2018) found that many OSEO struggle to secure consistent funding from governmental sources, and this instability often leads to difficulties in long-term planning and the inability to invest in long-term projects.

Additionally, the competition for philanthropic funding is increasing, as many organizations are vying for a limited pool of resources. For OSEO that operate on a smaller scale, this can lead to an over-reliance on a few large donors, which increases vulnerability to financial instability in the case of donor withdrawal (Woods & Clark, 2020).

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Finally, Henderson and Wang (2021) argue that many OSEO lack a clear financial strategy, which limits their ability to effectively raise funds and allocate resources. Without a long-term financial plan, organizations are at risk of experiencing financial shortfalls or overspending on non-prioritized areas.

Several best practices have been proposed in the literature for strengthening the financial status of OSEO. Brown and Larson (2021) suggest that financial strengthening begins with developing a sustainable business model that is aligned with the organization's mission. By focusing on diversified funding streams, organizations can reduce their reliance on any single source of income, thereby enhancing their financial resilience.

In addition, fostering relationships with local communities, businesses, and philanthropic organizations can create a more stable funding environment (Jenkins & O'Neill, 2017). Engaging local stakeholders and cultivating a culture of fundraising within the organization itself can help generate both financial and social capital that supports the sustainability of educational initiatives.

Moreover, exploring partnerships with local governments and international organizations that have a vested interest in out-of-school education can provide opportunities for both financial support and programmatic collaboration. These partnerships can offer access to new funding channels and contribute to the credibility of the organization (Beaver & Winfield, 2020).

ANALYSIS AND RESULTS

The 3-year data of the “Barkamol Avlod” children's schools on strengthening and further improving the financial situation of out-of-school educational organizations was analyzed. In the financing process , it is important to implement each expense correctly and on time. In this process, the role of educators in attracting young people who receive basic education to out-of-school education is very important. The educator provides education based on the knowledge and interests of the student and gives assignments with additional training. The more and longer the student educates young people, the more parents' fees increase and regular income is received. The more financial opportunities increase, the more opportunities increase. By motivating employees, educators can work independently on themselves or receive certificates if they attend additional courses. Another important thing is to strengthen the material and technical base. The reason is that the club provides comfortable conditions for holding classes, spacious and bright rooms, and all the necessary modern equipment. Club members are provided with the necessary educational tools, tools for use, raw materials, and materials for their vocational training.

Equal distribution of expenses is important for effective management of the financial situation of the “Barkam ol Avlod” children's schools . It is necessary to allocate a certain share for each type of expense. If we study by region, the higher the level of coverage, the higher the income. This will ensure financial independence and allow for the formation of future plans. In addition to current expenses, conditions will be created for the formation of a source of funds for the organization's planned expenses in the future.

Table 1. Information on parental payments received by the “Barkamol Avlod” children's schools to their off-budget personal treasury accounts

Million Soums

Region name	2021	2022	2023	Total	In percent
Andijan region	3,542.6	2,924.3	3,757.3	**10,224.2**	**8%**
Bukhara region	3,339.9	3,719.0	5 237.0	**12,295.9**	**10%**
Tashkent city	2,487.0	2,896.7	5,786.1	**11,169.8**	**9%**
Jizzakh region	1,004.0	1,209.4	1,673.0	**3,886.4**	**3%**
Kashkadarya region	1,612.8	2 151.7	6,656.1	**10,420.6**	**8%**
Navoi region	1 130.7	1 175.8	1,033.0	**3,339.5**	**3%**
Namangan region	3,091.1	3,839.1	5,495.8	**12,426.0**	**10%**
Republic of Karakalpakstan	1,573.5	1,564.3	2,920.2	**6,058.0**	**5%**
Samarkand region	2,304.0	3,045.1	6 225.5	**11,574.6**	**9%**
Surkhandarya region	2 108.6	2,507.8	2,913.0	**7,529.4**	**6%**
Syrdarya region	698.1	745.7	1 124.5	**2,568.3**	**2%**
Tashkent region	2,027.9	2,432.8	5,747.4	**10,208.1**	**8%**
Fergana region	5,086.8	5,534.5	9 389.9	**20,011.2**	**16%**
Khorezm region	584.8	660.1	1,374.5	**2,619.4**	**2%**
Republic Total	**30,591.8**	**34,406.3**	**59,333.3**	**124,331.4**	**100%**

Source: Developed by the author

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Information on parental payments received by the "Barkamol Avlod" children's schools to their off-budget personal treasury accounts for 2021-2023 analysis . In 2021, 30.5 billion soums of parental payments were received, while in 2023 this almost doubled, that is, 59.3 billion soums were formed. If we analyze by region, the 3 regions with the largest revenues were Fergana region with a share of 20.0 billion soums (16 percent), Namangan region with a share of 12.4 billion soums (10 percent) and Bukhara region with a share of 12.3 billion soums (10 percent). If we take the lowest figure, Syrdarya region with a share of 2.5 billion soums (2 percent), Khorezm region with a share of 2.6 billion soums (2 percent) and Navoi region with a share of 3.3 billion soums (3 percent).

Table 2. Information on expenses incurred from the extra-budgetary personal treasury account of the "Barkamol Avlod" children's schools

million soums

Region name	2021	2022	2023	Total	In percent
Andijan Region	3 470.0	2,672.3	3,407.9	**9,550.2**	**9%**
Bukhara Region	3 168.7	2,815.2	4,822.9	**10,806.8**	**11%**
Tashkent City	1,471.9	1,544.2	3,877.0	**6,893.1**	**7%**
Jizzakh Region	844.3	1 172.3	1,521.1	**3,537.7**	**3%**
Kashkadarya Region	1,044.8	1 142.9	4,777.9	**6,965.6**	**7%**
Navoi Region	943.6	875.8	1,005.4	**2,824.8**	**3%**
Namangan Region	2,522.8	3 146.0	5 189.2	**10,858.0**	**11%**
Republic Of Karakalpakstan	1 139.8	1 135.1	3 206.5	**5,481.4**	**5%**
Samarkand Region	1,780.2	1,984.2	6,081.1	**9,845.5**	**10%**
Surkhandarya Region	1,575.2	1,626.7	3,005.2	**6 207.1**	**6%**
Syrdarya Region	579.3	482.2	1 106.5	**2 168.0**	**2%**
Tashkent Region	1,453.7	1,435.6	4,703.5	**7,592.8**	**7%**
Fergana Region	4,417.8	4,513.4	8,804.4	**17,735.6**	**17%**
Khorezm Region	496.0	423.9	1,294.7	**2,214.6**	**2%**
Republic Total	**24,908.1**	**24,969.8**	**52,803.3**	**102,681.2**	**100%**

Source: Developed by the author

On the expenditures made from the extra-budgetary personal treasury account of the "Barkamol Avlod" children's schools in 2021-2023 was analyzed. As a result of the increase in revenues, expenditures also increased, and in 2021 , 24.9 billion soums were spent, while in 2023, 52.8 billion soums were spent. Continuing the analysis by region, the three regions that made the most expenditures were Fergana region with 17.7 billion soums (17 percent), Namangan region with 10.9 billion soums (11 percent), and Bukhara region with 10.8 billion soums (11 percent). The Syrdarya region, which spent the least , was 2.2 billion soums (2 percent), Khorezm region was 2.2 billion soums (2 percent), and Navoi region was 2.8 billion soums (3 percent). The funds received and the expenses incurred by the "Barkamol Avlod" children's schools over the last 3 years based on the tables, the results are similar. If we look at the regions with the highest and lowest indicators, the region with the highest income spends more, while the region with the lowest income has to spend less.

Table 3. Information on the balance at the beginning of the year, total income, total expenses and remaining funds at the end of the year in the off-budget personal treasury account of the "Barkamol Avlod" children's schools

Region name	Funds status	2021	2022	2023	Total
Republic Total	Balance of funds at the beginning of the year	**11,172.3**	**16,943.5**	**26,380.0**	**54,495.8**
	Total income received during the reporting period	**30,591.8**	**34,406.3**	**59,333.3**	**124,331.4**
	Total expenses incurred during the reporting period	**24,908.1**	**24,969.8**	**52,803.3**	**102,681.2**
	a) Salary and additional payments	5,213.2	9,953.1	11,805.4	**26,971.7**
	b) Single social tax payment	1,384.5	2,471.4	1,698.7	**5,554.6**
	c) Purchase of inventory	8,972.6	10,229.5	12,734.4	**31,936.5**
	d) Purchase of fixed assets	4,564.7	1 121.3	9 190.1	**14,876.1**
	e) Other expenses	4,773.1	1,194.5	17,374.7	**23,342.3**
	Balance of funds at the end of the year	**16,856.0**	**26,380.0**	**32,910.0**	**76 146.0**

Source: Developed by the author

According to the Republic's data on the "Perfect Generation" children's schools, information on the balance at the beginning of the year, total income, total expenses, and the end-of-year balance in the personal treasury account has been released. Analyzing the results, it shows that in 2021, the remaining funds amounted to 11.2 billion soums, and by 2023, this will increase to 26.4 billion soums, more than doubling. Total income in 2021 was 30.5 billion soums, and in 2023, it will rise to 59.3 billion soums, which is also nearly a twofold increase. Total expenses, which were 24.9 billion soums in 2021, will reach 52.8 billion soums in 2023, reflecting an increase of almost twice the amount. The year-end remaining funds in 2021 were 16.8 billion soums, and by 2023, this will increase to 32.9 billion soums, showing a twofold growth.

To analyze all payments made under the cost estimate, they can be aggregated into five categories. Analyzing the expense structure across each category, a total of 102.6 billion soums were spent between 2021 and 2023. Of this, 26.9 billion soums (26 percent) were allocated to wages and additional payments, 5.5 billion soums (5 percent) to the Unified Social Tax, 31.9 billion soums (31 percent) for the purchase of goods and materials, 14.8 billion soums (14 percent) for purchasing fixed assets, and 23.3 billion soums (23 percent) for other expenses. The majority of the Extra-budgetary Development Fund is directed toward the purchase of goods and materials, as well as material incentives for employees. As shown in the breakdown of expenses, employee incentive costs take the top spot, making up 32 percent (salary and tax payments), followed by inventory costs at 31 percent (including utility bills), and other expenses at 23 percent. It is essential to gradually reduce other expenses and increase investment in primary assets, aiming to bring it to at least 30 percent.

Additionally, the cost of wages and additional payments, along with the taxes accrued to them, should be increased from at least 26 percent to 35 percent. Meanwhile, inventory costs should be reduced from 32 percent to 30 percent, and the cost of purchasing fixed assets should be increased from 14 percent to 15 percent.

In conclusion, the "Barkamol Avlod" children's schools create additional opportunities by increasing fixed costs, which impacts both the level and quality of coverage. In this process, utilizing free funds to purchase essential equipment and collecting monthly parental payments for incentives will contribute to financial efficiency. This is because a specific amount of total funds is required to acquire basic equipment, while the same funds can also be used to motivate employees. It is also crucial to prioritize the timely and full payment of obligations. Delays or insufficient payments can result in postponed expenses and additional penalties for outstanding debts. When making expenses, it is important to first focus on essential and recurring costs, and then plan for phased financing according to the calculated needs.

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