



FINANCIAL MANAGEMENT IN PRESCHOOL EDUCATION: AREAS OF IMPROVEMENT OF ACCOUNTING AND CONTROL

Halilov Bobur

TDIU mustaqil tadqiqotchisi

Abstract

This article analyzes the system of financing preschool education institutions, the organization of financial accounting, and financial control. The sources of financing for preschool education institutions, existing problems in maintaining financial accounting, and the importance of financial control are discussed. In addition, the main directions for improving the system of financial accounting and control are considered, including the introduction of digital accounting systems, planning expenditures based on established norms, strengthening internal financial control, expanding audit practices, and ensuring transparency in financial activities. The proposed measures contribute to the efficient use of financial resources in preschool education institutions and to improving the quality of education.

Keywords: Preschool education institution, financing, financial accounting, financial control, budget funds, digital accounting, audit, financial management.

Introduction

Currently, the development of the education system is one of the priority areas of state policy. Especially the preschool education system plays an important role in the intellectual, physical and social development of children. Therefore, one of the urgent issues is the financing, financial accounting and control system of preschool education organizations.

Effective organization of preschool education organizations largely depends on the correct mechanism of their financing. Uzbek economist K. Nasurova in her research notes that an important factor in the development of preschool education



***Modern American Journal of Linguistics,
Education, and Pedagogy***

ISSN (E): 3067-7874

Volume 2, Issue 3, March, 2026

Website: usajournals.org

***This work is Licensed under CC BY 4.0 a Creative Commons Attribution
4.0 International License.***

organizations is the improvement of the financial mechanism. In his opinion, the imbalance between supply and demand in the educational services market, as well as the lack of financial resources in the education sector, create the need to scientifically improve the mechanism of financing in the preschool education system. The researcher notes that for the effective organization of the financing system in preschool education organizations, it is important to ensure a balance between budgetary and extra-budgetary funds, as well as to introduce new models and methods of financing. This approach will ensure the sustainable development of preschool education organizations, improve the quality of educational services and strengthen the effectiveness of financial management (2).

One of the most important factors in the development of the education system is the effective organization of financial activities of preschool education organizations. In this process, the theoretical and practical aspects of the financial mechanism have been extensively studied by economic scholars. In particular, Uzbek economists T. Malikov and O. Olimjonov in their research interpret the financial mechanism as a system of forms, methods and means of organizing financial relations established by the state, and emphasize its important role in the regulation of economic processes (3). Also, economist Kh.B. Nazarov scientifically substantiated the relationship between the assessment of the effectiveness of financing in preschool education organizations, rational use of budget funds and improving the quality of education (4). According to the researchers, improving the system of financing preschool education organizations, the effective distribution of financial resources and strengthening financial control will serve to improve the quality of educational services. In this regard, one of the urgent tasks today is to scientifically improve the mechanism of financing in preschool education organizations, introduce modern methods of financial management and strengthen the financial control system.

In the scientific literature, the concept of a financial mechanism has been extensively studied by various economists. According to researchers, the financial mechanism is an important tool that regulates economic processes (5). G.V. Pisarenko's research describes the financial mechanism as a system of forms, methods and means of organizing financial relations (6). This approach serves to increase the efficiency in the process of managing financial resources.



The financial activities of preschool education organizations are formed at the expense of the state budget, local budgets, parental fees and other additional financial sources (7). At the same time, it is important to improve the financial control system to ensure that these funds are used purposefully and efficiently.

Research Methods

In this study, a number of research methods were used to study the system of accounting and financial control of preschool education organizations and to identify ways to improve it. First of all, scientific works, monographs, textbooks and scientific articles of domestic and foreign economists were analyzed. In addition, normative-legal acts, government programs and statistics on the development of the preschool education system in the Republic of Uzbekistan have been studied.

In the research process, **the methods of scientific observation, comparison, analysis and generalization** were used. The analysis method was used to study the sources of financing, the structure of expenditures and the effectiveness of the use of financial resources in preschool education organizations. By means of comparison, the indicators of funding for different years and existing practices were compared. In addition, in the process of processing statistical data, **analytical analysis and grouping methods** were used to assess the state of the financial management and control system in preschool education organizations. In addition, in the course of the study, logical **analysis and systematic approach** methods were used, the existing problems of the financing mechanism in preschool education institutions were identified, and science-based proposals and recommendations were developed to overcome them. These methods served to ensure the scientific basis of the research results and to draw conclusions on improving financial accounting and control in the preschool education system.

Research Results and Discussion

In the course of the study, the system of financing preschool education organizations and the current state of financial control were analyzed. In recent years, the Republic of Uzbekistan has paid special attention to the development of the preschool education system. In particular, in accordance with the Concept



***Modern American Journal of Linguistics,
Education, and Pedagogy***

ISSN (E): 3067-7874

Volume 2, Issue 3, March, 2026

Website: usajournals.org

***This work is Licensed under CC BY 4.0 a Creative Commons Attribution
4.0 International License.***

of Development of the Preschool Education System until 2030, one of the main tasks is to increase the level of coverage in this area, the creation of new educational institutions and improve the financing system (1).

According to statistics, the number of preschool education institutions in the country has significantly increased in recent years. For example, if in 2020 there were more than 18 thousand preschool educational organizations in the republic, then by 2022 their number exceeded 27 thousand. This indicates the growing demand for preschool education services as well as the need for financial support for this sector (2).

The main source of financing preschool education organizations is the state budget. Funding in state-owned preschool education organizations is mainly directed to cover the cost of employee salaries, social payments, purchase of children's food, utilities and educational supplies. At the same time, the support for preschool education institutions through public-private partnerships has been scaled up in recent years. This leads to an increase in the share of extra-budgetary funds and diversification of sources of financing (8).

However, the analysis shows that there are also some problems in the financial management system in preschool education organizations. In particular, the lack of accurate calculations in the cost planning process, the influence of the human factor in financial document management, as well as insufficient introduction of modern digital accounting systems hinder the efficient use of financial resources. In addition, insufficient functioning of the financial control system in some cases can lead to inadequate spending of budget funds.

Therefore, in improving the system of financing in preschool education, it is necessary to pay attention to a number of important areas. First of all, it is important to automate calculations and ensure financial information transparency through introduction of modern information technologies in financial management process. Secondly, the use of a normative approach to cost planning, i.e. the development of norms of expenditure for one child, will allow for a more rational allocation of financial resources. Third, financial discipline can be strengthened by strengthening internal and external financial control mechanisms.



It is also important to ensure the openness of financial management in preschool educational institutions. Regularly informing parents and the public about financial statements increases trust in educational institutions and serves to ensure the effectiveness of the use of funds. In general, improving the system of financing preschool education organizations in accordance with modern economic conditions is an important factor in ensuring effective management in this area.

In accordance with the Concept, the important task is to improve the financing mechanism for the development of the preschool education system. In particular, ensuring the efficient use of state budget funds, the creation of new preschool educational organizations on the basis of public-private partnership, and diversifying sources of financing are mentioned as priorities.

According to this document, the main goal of the preschool education system is to increase the level of coverage of children with quality education and improve the quality of educational services. An important role in this process is played by the effective organization of the financial system. In particular, it is possible to steadily develop the activities of preschool education organizations by attracting additional financial resources, in addition to budgetary funds.

Table 1: Sources of financing the preschool education system

Funding source	Description	Importance
Government budget	The main financial source of MTTs	Covers the cost of wages, food, utilities
Mahalliy byudjet	It is allocated on the basis of regional development programs	will develop regional infrastructure
Parent Payments	Contracts based on fees	Additional financial resource
Public-Private Partnerships (PPP)	Cooperation of private investors	Serves to establish new MTTs
Scholarship and sponsorship funds	Allocated by international organizations or sponsors	Improves quality and infrastructure of education

The concept notes that the increased demand for preschool education services will require further improvement of the existing funding system. Growing population and an increasing number of children will require an increase in the



number of preschool institutions, and the attraction of additional financial resources. For this reason, the widespread introduction of public-private partnership mechanisms in the financing of the state preschool education system, the effective use of budget funds and the strengthening of the financial control system have been identified as a priority.

It is also important to ensure transparency of the funding process. Automation of financial reporting process, control over targeted expenditure of funds, and corruption prevention by introducing modern digital accounting systems is possible. This will contribute to the sustainable development of the preschool education system.

The development of the preschool education system in the Republic of Uzbekistan is one of the important directions of the state budget policy. The draft state budget for 2026 also pays great attention to financing the social sphere, including the education system. In general, in 2026, it is planned to allocate a large amount of funds from the state budget for the education sector, and it is planned to allocate 63.69 trillion soums for the Ministry of Preschool and School Education. This shows the priority of the education system in public policy and a strategic approach to human capital development.

According to the draft budget for 2026, it is planned to spend a total of **19,970 billion soums** for the preschool education system. These funds will be used to finance the activities of preschool education organizations, create the necessary conditions for children and improve the quality of education.

Table 2 Preschool Education Expenditure Structure (2026 Forecast)

Cost type	Amount (billion UZS)
Total costs	19 970
State programs and events	4 338
Salaries and equivalent payments	9 436
Food costs	3 401
Capital expenditures	900
Current repair costs	67
Kommunal to'lovlar	558
Costs for equipment	187
Other costs	1 083



According to the table above, the largest share in the preschool education system **falls on the share of salaries and equivalent fees**. This means that human resources play an important role in the education system. Stimulation of the work of teaching staff and strengthening their social protection are one of the important factors that contribute to the improvement of the quality of education. Food **expenditure** also has a significant share, which is an important area of government policy aimed at ensuring healthy nutrition for children in preschool education. Funds allocated for state programs and events will serve to modernize the preschool education system, introduce new educational programs and develop infrastructure.

According to the forecast for 2025-2026, the number of preschool education organizations and the educational coverage of children in the country is growing.

Table 3 Indicators for preschool education institutions

bullet	2025	2026
Jami MTTlar soni	38 390	38 942
State MTTs	6 941	7 008
NGOs by public-private partnership	1 551	1 694
Family MTTs	29 028	29 318
MTTs capacity (thousand seats)	2 621	2 704
Number of pupils (ths)	2 428	2 526
Number of children aged 3–7 years(thousands)	3 154	3 256
Coverage Level	77 %	78 %

Source: Ministry of Finance of the Republic of Uzbekistan. Winners

These statistics show that the preschool education system is steadily developing. In particular, the number of preschool education organizations is predicted to **increase by 552**, the enrolment of children **will increase from 77% to 78%**, and the capacity of MTTs **will reach 2.7 million places**. These indicators indicate that a policy is being pursued by the state to expand preschool education infrastructure and include children in early education.

The results of the analysis show that the increase in financial resources allocated to the preschool education system leads to a number of positive results in this



*Modern American Journal of Linguistics,
Education, and Pedagogy*

ISSN (E): 3067-7874

Volume 2, Issue 3, March, 2026

Website: usajournals.org

*This work is Licensed under CC BY 4.0 a Creative Commons Attribution
4.0 International License.*

area. In particular, there is an increase in the number of preschool education organizations, an expansion of the capacity of educational institutions, an increase in the level of coverage of children with education, and the strengthening of the necessary material and technical base for the quality of education. The growing number of preschool education organizations established on the basis of public-private partnerships means that new mechanisms for financing the preschool education system are being introduced.

In general, increasing funding for the preschool education system will expand opportunities to develop the educational infrastructure, stimulate the work of pedagogical personnel, and provide children with quality education. This process contributes to the formation of human capital, as well as the comprehensive education of the future generation, which is an important factor in the country's economic development.

Results and discussion

Improvement of the financial management system in preschool education institutions is one of the most important factors in ensuring effective management in the field of education. The results of the above analysis show that the volume of financial resources in the preschool education system is increasing year by year. This requires further improvement of accounting and control mechanisms to ensure effective and targeted use of financial resources.

First of all, it is important to implement digital accounting and financial accounting systems to improve the effectiveness of financial management in preschool educational institutions. Use of modern information technologies allows automating financial operations, reducing errors in calculations, as well as ensuring the transparency of financial information. Centralized handling of financial statements via digital platforms will allow quick tracking of the movement of budget funds.

Second, normative cost planning plays an important role in improving the financial management system. At the same time, it is possible to target budget funds by setting the norms of financial expenditures per pupil. Normative financing will ensure the rational use of funds while increasing the financial independence of preschool education organizations.



*Modern American Journal of Linguistics,
Education, and Pedagogy*

ISSN (E): 3067-7874

Volume 2, Issue 3, March, 2026

Website: usajournals.org

*This work is Licensed under CC BY 4.0 a Creative Commons Attribution
4.0 International License.*

Third, it is necessary to strengthen the system of internal financial control in preschool educational organizations. Internal control mechanisms serve to strengthen financial discipline, efficient use of funds and prevention of financial violations. For this, it is important to increase the financial literacy of the heads of the organization and accounting personnel, to carry out regular internal audit and monitoring work.

At the same time, the development of external control and audit mechanisms in the financial management system is also important. Audits carried out by state financial supervisory bodies, the Accounts Chamber and independent audit organizations allow for an objective assessment of financial activity and identification of existing deficiencies. This serves to increase the efficiency of the financial management system.

In addition, ensuring openness and public oversight in improving financial management in preschool education institutions is one of the key factors. Regular information to parents and the public about financial statements will increase the transparency of educational institutions. This will strengthen public control over the targeted use of budget funds.

In general, the improvement of the system of financial management, accounting and control in preschool education organizations will contribute to the effective use of financial resources, improving the quality of education and the effectiveness of management. It is possible to further develop the preschool education system through the introduction of modern financial management mechanisms, the use of digital technologies and the strengthening of the financial control system.

Conclusion and suggestions

The research has shown that improving the system of financial management, accounting and control in preschool education institutions is of fundamental importance to ensure the sustainable development of the education sector. According to the analysis, in recent years the amount of financial resources allocated to the preschool education system has increased significantly. In particular, it is planned to allocate 19,970 billion soums to finance preschool education in accordance with the draft state budget for 2026. This shows that the



state is paying special attention to the development of the preschool education system. At the same time, the increase in the number of preschool education organizations and the increase in the level of children's educational coverage confirm the effectiveness of the reforms being carried out in this area.

However, case studies also show that there are some problems in the financial management system in preschool education. In particular, the lack of accurate calculations in cost planning, insufficient use of modern information technologies in financial accounting, ineffective functioning of financial control mechanisms in some cases hinder the full effective use of financial resources. Therefore, one of the most important tasks is to further improve the system of financial management, accounting and control in preschool education organizations.

Based on the results of the research, the following proposals for improving financial management in preschool education organizations can be put forward:

1. Widespread introduction of digitalization of financial accounting. Automation of calculations, ensuring the accuracy and transparency of financial information can be ensured through the implementation of electronic accounting and digital financial management systems in preschool education.
2. Improvement of the system of normative planning of expenditures. By precisely setting the standards of expenditure per pupil, it becomes possible to effectively distribute budget funds.
3. Strengthening internal financial control mechanisms. The introduction of a regular internal audit system in preschool education institutions will strengthen financial discipline and ensure targeted use of funds.
4. Development of external audit and public control. Ensuring the participation of the public and independent audit organizations along with the state financial supervisory authorities serve to increase the transparency of financial administration.
5. Expansion of public-private partnership mechanisms in financial management. The creation and development of preschool education organizations on the basis of public-private partnerships will serve to diversify the sources of financial resources.

In general, through improving the system of financial management, accounting and control in preschool education institutions, it is possible to ensure the



economic stability of educational institutions and increase the level of coverage of children with quality preschool education. This, in turn, will contribute to the development of human capital in the country and the comprehensive education of the future generation.

REFERENCES

1. Meaning: (2019). The concept of development of the preschool education system until 2030. Tashkent.
2. Nasurova, K. R. (2023). Improving the financing mechanism of preschool educational organizations in Uzbekistan. *American Journal of Business Management, Economics and Banking*, 18, 58–62.
3. Malikov, T., & Olimjonov, O. (2019). *Finance*. Tashkent: Economy-Finance Publishing.
4. Nazarov, Kh. B. (2020). Methods of evaluating the effectiveness of financing preschool educational organizations. *Science and Education Scientific Journal*, 1(2).
5. Musgrave, R. A., & Musgrave, P. B. (1989). *Public Finance in Theory and Practice*. New York: McGraw-Hill.
6. Pisarenko, G. V. (2017). Financial mechanism as an instrument of economic regulation. *Economic Studies Journal*, 4(2), 45–52.
7. OECD. (2020). *Early Childhood Education and Care: Financing and Governance*. Paris: OECD Publishing.
8. Goskomstat of the Republic of Uzbekistan. (2023). *Statistical Indicators of Preschool Education Organizations*. Tashkent.
9. World Bank. (2018). *Improving Early Childhood Development Outcomes in Uzbekistan*. Washington, DC: World Bank.
10. UNESCO. (2019). *Global Education Monitoring Report: Early Childhood Care and Education*. Paris: UNESCO Publishing.
11. Kuznetsova, S. V., & Ilchenko, A. N. (2008). Problems of financing preschool educational institutions. *Modern Science-Intensive Technologies*, 4, 170–172.