



REPUBLIKA NG PILIPINAS
REPUBLIC OF THE PHILIPPINES
KAGAWARAN NG EDUKASYON
DEPARTMENT OF EDUCATION
DepEd Complex, Meralco Avenue, Pasig City, Philippines



MAR 08 2010

DepEd Order 25, s. 2010

To : Undersecretaries
Assistant Secretaries
Directors of Bureaus, Centers, Services and Regions
Schools Division Superintendents
Project Managers/Leaders
Heads of Schools
Resident Auditors
Resident Ombudsman
Others Concerned

BUDGET STRATEGY FOR BASIC EDUCATION, FYs 2010-2015
(STRENGTHENING THE PLANNING, IMPLEMENTATION &
COORDINATION OF DEPED PROGRAMS, PROJECTS & ACTIVITIES)
(Amending DepEd Orders 24, s. 2007 and 61, s. 2005)

1. Much is to be desired in the quality of Philippine basic education today. System performance is characterized by wide variations inter- and intra-regions and divisions of the country, especially along the core indicators of school participation, completion, pupil achievement and financial management. Oversight and partner agencies continue to perceive DepEd as having low absorptive capacity in utilizing resources entrusted to it by various institutions. Further, the 2010 EFA Global Monitoring Report expressed concerns about the Philippines' ability to rise above the challenges confronting its basic education. An exacerbating development is the shortened validity of FY 2010 GAA, whereby the President ruled against extending its usefulness beyond December 31, 2010.

2. Policy Thrusts/Directions, FY 2010-2015. To address the wide gaps in performance, while navigating within existing constraints, and in keeping with our constitutional and international commitments of providing quality basic education to all Filipinos, DepEd shall continue pursuing these policy thrusts and directions for the period, FY 2010-2015, namely:

- a) Sustain school-based management and initiate school-wide performance assessment;
- b) Expand the targeted coverage of quality-assured early childhood education programs. Pending passage of the Preschool Education Bill into a law, DepEd shall pursue expansion of its coverage via education service contracting, summer

classes and the provision of financial subsidy to PTA-organized classes. To raise the quality of early childhood education programs, DepEd shall invest in training day care center workers on the Preschool Curriculum Standards, and monitor the adoption by non-DepEd providers of such Preschool Curriculum Standards for 5 year-olds through the administration of School Readiness Assessment Test to Grade 1 entrants in both public and private schools;

- c) Increase school participation, completion and achievement at the elementary and secondary levels using all delivery modalities available, including the strengthening of alternative delivery modes;
- d) Expand the coverage of cost-effective literacy programs for youth and adults;
- e) Help teachers practice quality teaching through the adoption of the National Competency-Based Teacher Standards in pre-service education, hiring, deployment, training and promotion of teachers;
- f) Increase the quality of effort in curriculum development and instruction at all levels, (preschool, elementary, secondary and alternative learning) and clarify the continuum of competencies expected of basic education graduates in the Philippines. Consequently, all in-service training for teachers must concentrate on making teachers become effective in teaching these competencies.
- g) Establish and implement a new system for funding basic education, including the adoption of the new formula that rationalizes the grant of MOOE to DepEd offices and schools;
- h) Establish and implement the Quality Management System as a means to, among others, making the entire basic education system measurable and its officials fully accountable for results;
- i) Harness public-private partnerships in improving the provision of basic education services; and
- j) Tighten system of governance by, among others, improving financial management operations and harness ICT to fast track the attainment of DepEd's governance objectives.

3. Strategic Planning. All DepEd operating units must go through a strategic planning exercise of 3-year (FYs 2011-2013) and/or 6-year periods (FYs 2011-2015), as appropriate, prior to the formulation of various programs/projects and agency budget determination to ensure alignment of all programs and projects with the above policy thrusts/directions. Reports of strategic planning exercise undertaken shall be submitted as part of the justifications for the office's budget proposal, citing, among others, the analyses and root causes of conditions obtaining in the sub-sector, strategies to address the same and the priority uses of limited budget allocations. Schools and divisions must show consistency between their budget proposals and their annualized improvement plans. This activity must be undertaken not later than February 15 of any given year.

4. Program Planning & Budgeting. Upon approval of the office's strategic plans, the procedures and structures described in DepEd Order 24, s. 2007 on Synchronized Program Planning and Budgeting shall apply, for purposes of budget preparation (see **Att. 1** for the general calendar of events for budget preparation).

For divisions and districts, the heads of DepEd operating units must include the proposed uses of the Special Education Fund to be submitted to their respective Local School Boards. In the case of schools, predictable and/or regular private donations (e.g., from PTA, LGUs, businesses) must likewise be disclosed for purposes of budgeting. Copies of the plans of divisions, districts and schools must be forwarded to this Office for reference purposes, every end of March of any given year.

5. Conduct of Internal Budget Hearing. An internal budget hearing shall be conducted every budget preparation year at all levels of the DepEd organization to clarify program priorities and implementation strategies, as well as ensure the maximum utilization of scarce resources. For this purpose, a separate set of guidelines shall be issued by this Office to guide the process.

6. Post-Planning Exercise. To ensure that the budget proposed by the Office of the President reflects the changes effected by Congress, all operating units of DepEd shall adjust their respective budget proposals on the basis of likely GAA levels in a post-planning exercise. Such adjustments/refinements shall be contained in the following Project Implementation Plans (PIPs) for approval by this Office:

- a. Work and Financial Plan (WFP)
- b. Project Procurement Management Plan
- c. Monthly Cash Program (MCP)

Samples of these documents are attached to this Order as **Att. 2**. These plans shall become due every November 15 of each year until 2015.

The PIPs of DepEd offices and regions shall be submitted to this Office, Attention: Planning Service for the WFP, Procurement Service for the APP, and the Financial Management Service-Budget Division for the MCPs, for consolidation and evaluation and onward submission to this Office. The WFPs, APPs, and MCPs of divisions and schools duly approved by the regional office or the division office shall likewise be submitted to this Office for records purposes.

The regional and division offices are directed to adopt a parallel system of PIP preparation to promote efficiency of field operations.

7. Lumpsum Funds. Efforts shall be exerted to maximize use of all lumpsum funds under the DepEd's GAA. Therefore, all central, regional and division offices are directed to submit to this Office for approval, their proposed implementing guidelines for the equitable and proper disposition of these funds every end of March of every year. Non-compliance to this directive will be construed to mean that the programs laying claim on such funds are not ready for implementation and therefore, this Office is accorded greater flexibility to re-allocate funds internally to meet emerging priorities and needs.

8. Specialty Clearances. For transactions chargeable against these funds that will involve compliance to certain technical standards or unique requirements, specialty clearances shall be required from these offices prior to their approval, to wit:

- a. New construction, major repair works, school furniture and related contracts – OPS
- b. computers, communications equipment, ICT resources and databases – ICTU
- c. textbooks, reference and other print materials – IMCS
- d. office equipment and furniture and related items – AS-Property Div. and TS
- e. surveys and databases on basic education – OPS
- f. printing and related transactions - TS
- g. student testing and assessment activities - NETRC

Specialty clearances shall dwell on the completeness of technical requirements, appropriateness, suitability to DepEd, reasonableness of cost estimates and overall technical feasibility. The concerned clearing offices are therefore, directed to recommend to this Office the guidelines, procedures and forms to operationalize this directive, particularly at the field offices and schools.

9. In-house Printing Service. With the equipping of the DepEd Printing Unit, the printing of various instructional materials, hand-outs and others, shall be done in-house. For this purpose, the Technical Service is directed to prepare the implementing guidelines on the utilization of this facility by DepEd offices, for approval by this Office.

10. Training Venues. DepEd-funded training programs shall prioritize the use of RELCs, ECOTECH and the Baguio Teachers Camp as training venues, and other government-owned or controlled venues. Only when government-owned venues are not available can the use of privately-owned venues be resorted to.

11. New Procedures for Processing Financial Transactions. All claims against the FY 2010 appropriations, shall undergo processing in accordance with the flowchart in **Att. 3**. These new procedures aim to further synchronize program planning, budgeting and procurement activities of DepEd offices at the central level, ensure their coherence with the stated policy directions, as well as facilitate monitoring and reporting of progress achieved over time. Regional and division offices and schools are encouraged to do a parallel system.

To facilitate routine compliance to this policy, there shall be an official stationery (**Att. 4**) to be used by all DepEd offices and operating units for their financial transactions. In addition, transactions shall be evaluated on the basis of this Project Quadrant.

URGENCY →		
I M P O R T A N C E ↓	Direct Linkage to DepEd goals and objectives (urgent and important) <ol style="list-style-type: none"> 1. Will improve the teaching and learning process immediately 2. With positive impact on learners, teachers, principals and schools 3. With positive impact on entire BE system (policies, standards, procedures, budgets) 	Uncertain Linkage to DepEd goals and objectives (urgent but not important) <ol style="list-style-type: none"> 1. No effect on BE whatsoever
	Indirect Linkage to DepEd goals and objectives (important but not urgent) <ol style="list-style-type: none"> 1. Will improve the teaching and learning process at some future time 2. With positive impact on districts, divisions, regions and central offices 3. With positive impact on oversight agencies 	Unlinked to DepEd goals and objectives (neither urgent nor important) <ol style="list-style-type: none"> 1. Non-essential expenditures

12. Monitoring, Evaluation and Reporting. The Financial Management Service, Office of Planning Service and Procurement Service at the Central Office and the planning units and finance units at the region and the division levels are directed to report every 5th day of each month, the physical and financial progress of programs, projects and activities being implemented by the different offices, including problems encountered and actions taken to resolve issues. These reports shall be submitted to this Office, Attention: The Chief of Staff for Central Office units or the MANCOM Secretariat based in the Office of Planning Service for regional and division units, for consolidation and possible inclusion in the EXECOM/MANCOM agenda. Further, the offices involved with financial management, planning and procurement are advised to hold regular coordination meetings to sort out issues arising out of programs/projects being implemented by various offices, and to feed the concerned offices with their suggestions on how to further improve the process.

13. The provisions of DepEd Order 24, s. 2007 which are not inconsistent herewith shall remain in force and effect. Further, other DepEd orders and memoranda inconsistent herewith, are hereby revoked and/or superseded, or modified accordingly.

14. For strict compliance.



JESLI A. LAPUS
Secretary

Encls.: As stated

References: DepED Order: Nos.: 24, s. 2007 and 69, s. 2005

Allotment: 1—(D.O. 50-97)

To be indicated in the Perpetual Index under the following subjects:

BUREAUS & OFFICES
FUNDS
POLICY
PROGRAMS
PROJECTS
SCHOOLS

Attachment 1
General Calendar of Budget Preparation Events

Activity	Schedule/Period of Submission
I. Strategic Planning, FY 2010-2015	On or before February 15 of each year
II. Program Planning and Budgeting, FY 2010-2013	
a. Forward Estimating/Frontloading of Crucial Resources	Every 1st week of March of each year
b. Synchronized Planning and Budgeting Workshop	Every 3rd week of March of each year
c. Submission of proposed Implementing Guidelines of All Lumpsum Funds under GAA by CO, ROs and DOs.	Every end of February of each year
d. Internal Budget Hearing	Every 1st week of April of each year
III. Post Budget Planning Exercise	Every 15th of November of each year
IV. Monitoring, Evaluation and Reporting	On or before the 5th day of the month

PHYSICAL AND FINANCIAL PLAN
FY 2010

DEPARTMENT: _____
AGENCY/OU: _____
Fund: _____

MFO/ P/A/P	PERFORMANCE INDICATOR/ UNIT OF MEASURE	BASELINE FY 2008	GLOBAL TARGETS (YEAR)	PREVIOUS YEAR ACCOMPLISHMENT(F Y 2009)		TARGET FY 2010	CURRENT YEAR PHYSICAL TARGETS					COST ASSUMPTIO NS	CURRENT YEAR FINANCIAL ESTIMATES (In Pesos. Absolute Figure)					SOURCE	TIMEFRA ME	RESPONS IBILITY CENTER	REMARKS
				Physical	Financial		Q1	Q2	Q3	Q4	Total		Q1	Q2	Q3	Q4	TOTAL				
(1)	(2)	(3)	(4)			(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	

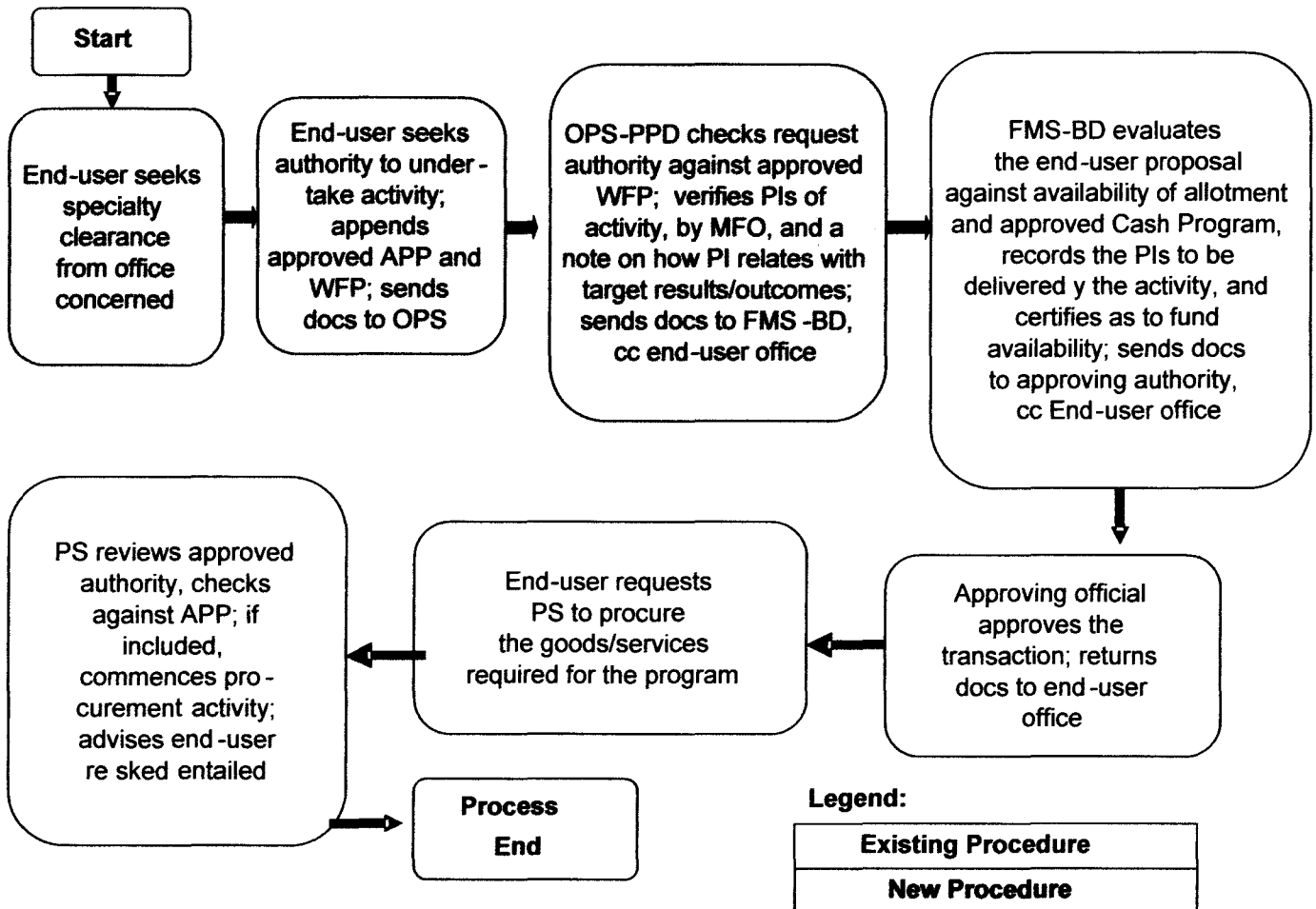
Annual Procurement Plan

No.	Inputs per Project/ Activity	J	F	M	A	M	J	J	A	S	O	N	D	Responsibility Center
	Program 1 1.1 1.2 1.3													
	Program 2 1.1 1.2 1.3													

Monthly Cash Program

No.	Inputs per Project/ Activity	J	F	M	A	M	J	J	A	S	O	N	D	Responsibility Center
	Program 1 1.1 1.2 1.3													
	Program 2 1.1 1.2 1.3													

New Approvals Process for DepEd Programs and Projects





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Office of the _____

Date _____

MEMORANDUM

To/For :	"Final Approving Authority"
Thru :	"Supervising Usec/Asec's Endorsement/Approval"
From :	"Head of Office"
Subject :	

1. Name of Main Program/Project that transaction is attached:
2. Brief Description of Transaction
3. MFO Attribution; Performance Indicators to be produced
4. Amount Needed, Fund Source:
5. Brief Explanation of Consequence if Transaction is not Approved:
6. List of Attachments

Clearance Unit:	OPS:	FMS-Budget/ Acctg:	Proc. Service:
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