



Republic of the Philippines
Department of Education

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GUIDELINES ON THE PARTNERSHIP BETWEEN THE DEPARTMENT OF EDUCATION (DEPED) AND THE CIVIL SOCIETY ORGANIZATIONS (CSOs) IN THE PREPARATION OF BUDGET PROPOSALS AND EXECUTION OF THE APPROVED BUDGET

To: Undersecretaries
Assistant Secretaries
Bureau Directors
Directors of Services, Centers and Heads of Units
Regional Directors
Schools Division/City Superintendents
Heads, Public Elementary and Secondary Schools
All Others Concerned

1. For the information and guidance of all concerned, enclosed is a copy of the **Guidelines on the Partnership Between the Department of Education (DepEd) and the Civil Society Organizations (CSOs) in the Preparation of Budget Proposals and Execution of the Approved Budget**. These guidelines shall serve as guiding documents for the partnership between the DepEd and the CSOs towards achieving an efficient and effective delivery of quality basic education accessible to all.
2. These guidelines shall remain in force and effect unless sooner repealed, amended or rescinded.
3. Immediate dissemination of and strict compliance with this Order is directed.

BR. ARMIN A. LUISTRO FSC
Secretary

Encl.: As stated
Reference: N o n e
To be indicated in the Perpetual Index
under the following subjects:

ORGANIZATIONS
POLICY

PROGRAMS
PROJECTS

Madel: Guidelines DepEd and CSOs
0278-March 6, 2013

(Enclosure to DepEd Order No. **16**, s. 2013)

GUIDELINES ON THE PARTNERSHIP BETWEEN THE DEPARTMENT OF EDUCATION (DepEd) AND THE CIVIL SOCIETY ORGANIZATIONS (CSOs) IN THE PREPARATION OF BUDGET PROPOSALS AND EXECUTION OF THE APPROVED BUDGET

1.0 POLICY GUIDELINES

The Department of Budget and Management (DBM) recently issued the **National Budget Circular (NBC) No. 536** (*Guidelines on Partnership with Civil Society Organizations and Other Stakeholders in the Preparation of Agency Budget Proposal*), the **NBC No. 539** (*Guidelines on Partnership with Civil Society Organizations and Other Stakeholders in the Execution of the Agency Budget*), and **National Budget Memorandum (NBM) No. 115** (*Policy Guidelines and Procedures in the Preparation of the FY 2014 Budget Proposals*), which mandated the national government agencies (NGAs) and the government owned and controlled corporations (GOCCs). NBC Nos. 536 and 539, and NBM 115 shall provide a set of guidelines in establishing partnership with Civil Society Organizations (CSOs), aligned with the mission and vision of the NGAs/GOCCs and shall serve as guiding documents for the partnership between Department of Education (DepEd) and CSO towards achieving the efficient and effective delivery of quality basic education accessible to all.

2.0 RATIONALE

The Department has been partnering with key CSOs through the National Education for All (EFA) Committee in terms of monitoring and evaluation of various implemented programs, activities, and projects (PAPs), as well as the tracking of progress and close monitoring of the performance of DepEd in terms of the attainment of EFA and Millennium Development Goals (MDG) targets. With an end goal that the partnership with the CSOs will further improve the efficiency, effectiveness, transparency, and accountability in the implementation of PAPs which will ultimately translate to quality basic education service delivery and good governance.

It is imperative, therefore, that guidelines be in place to guide the participating organizations on the basic principles of engagement that will define the intent and extent of the relationship between the two parties, particularly in institutionalizing the *participatory budgeting* in the bureaucracy. Such guidelines will serve as guiding principles on how to systematize, synchronize, and contextualize the ongoing DepEd initiatives; thus, fostering a better working relationship among stakeholders.

Moreover, the guidelines will spell out the expected inputs and processes required to deliver quality goods and services wherein CSOs can subscribe based on the nature of their incorporation. These will also influence disorganized CSOs to shape up in order to establish relationship with the Department. With this, a more constructive partnership with CSOs and other stakeholders, consistent with the Principles of Engagement¹ is envisioned to commence this year in the preparation of FY 2014 budget proposal and execution of the same as approved and enacted into law.

¹ Signed by DBM and selected CSOs on 03 September 2010.

3.0 DEFINITION OF TERMS

For purposes of these guidelines, the following terms shall be defined as follows:

- 3.1. **Affiliate CSOs** - CSOs entering into formal collaboration with a Partner CSO, which collaboration enables the Partner CSO to enhance its efficiency in performing its commitments in accordance with the Budget Partnership Agreement (BPA).
- 3.2. **Budget Partnership Agreement (BPA)** - A formal agreement entered into by an NGA/GOCC and a Partner CSO defining the roles, duties, responsibilities, schedules, expectations and limitations with regard to implementing the CSO's participation in budget preparation, execution, monitoring and evaluation of specific programs, activities, Projects (PAPs) of the Partner NGA/GOCC.
- 3.3. **Citizen Participation** - A democratic process involving people empowerment, whereby concerned citizens organized as CSOs, pursue their legitimate and collective interests by monitoring the effectiveness of PAPs and in so doing become partners of the Government in the formulation, monitoring, evaluation and improvement of the national budget.
- 3.4. **Civil Society Organizations (CSOs)** - Include non-government organizations (NGOs), people's organizations, cooperatives, trade unions, professional associations, faith-based organizations, media groups, indigenous peoples movements, foundations, and other citizen groups formed primarily for social and economic development, to monitor government programs and projects, engage in policy discussions, and actively participate in collaborative activities with the Government.
- 3.5. **Conflict of Interest** - A condition which may occur when a CSO or any of its key officers are involved in multiple interests, thereby preventing an impartial or unbiased attitude toward the work to be done under the BPA.
- 3.6. **Constructive Engagement** - A partnership between Government and Partner CSO marked by sustained dialogue towards problem solving while respecting independence and retaining the focus on reforms.
- 3.7. **Partner CSO** - The CSO which is the: Partner of an NGA/GOCC in the BPA. Conversely, a CSO which is not a Partner of an NGA/GOCC in a BPA shall be termed as Non-Partner CSO.
- 3.8. **Stakeholders** - Persons or organizations that can significantly affect, be affected by, or perceive themselves to be affected by a government decision or activity or have interest or can influence the effective performance of a particular PAPs of an NGA/GOCC.
- 3.9. **Zero-based Budgeting** - A budgeting approach which involves the review/evaluation of major ongoing programs and projects implemented by different departments/agencies in order to:
 - a. establish the continued relevance of programs/projects given the current developments/directions;
 - b. assess whether or not the program objectives/outcomes are being achieved;
 - c. ascertain alternative or more efficient and effective ways of achieving the objectives; and
 - d. guide decision makers on whether or not the resources allotted for the PAPs should continue at the present level or be increased, reduced, or discontinued.

4.0 **GUIDING PRINCIPLES**

These principles will provide a sense of direction, management, arrangement of engagement, and to a larger extent, safety nets that will protect both the interests of the principal agency (DepEd) and the partners (CSOs). Both DepEd and partner CSOs subscribe to the following basic guiding principles of engagement:

- 4.1 **Citizen participation** in policy planning and formulation, implementation, and monitoring and evaluation;
- 4.2 **Complementation not duplication** of initiatives to effectively address the resource gaps for inputs, goods and services, necessary to achieve DepEd's mandated outcomes;
- 4.3 **Constructive engagement**, where all parties subscribe to one vision of achieving the targets of EFA and MDG;
- 4.4 **Optimal use of resources**, which will lead to efficiency and improved accountability;
- 4.5 **Lack or absence of self-interest motivated by potential profit** in this kind of engagement;
- 4.6 **Respect for internal processes**, understand and abide by the limitations of the stakeholders with respect to the nature of the information to be disclosed and the extent of involvement based on institutional/legally imposed limitations;
- 4.7 **Sector-wide and systemic approach**, driven by the overall vision and goal of the principal agency;
- 4.8 **Shared accountability**, a coordinated reporting mechanism to the public both by DepEd and its partners;
- 4.9 **Sustainability**, ensure continuing engagement by instituting progressive policies and operational mechanisms that will promote an environment of mutual trust; and
- 4.10 **Well-defined roles and responsibilities** of parties will prevent conflict of interest.

5.0 **ELIGIBILITY OF PARTNER CSOs**

To manage the sheer number of CSOs with interest to help DepEd address the resource gaps and the growing demand to participate in the planning and budgeting exercise, all CSOs seeking to partner with DepEd shall satisfy the eligibility requirements mandated in **Section 5.3.1** of the **NBC No. 536**.

5.1 **Eligibility Requirements**

It is required that Partner CSOs must have monitored, assessed, and evaluated particular ongoing PAPs of DepEd that will be supported by duly substantiated findings, assessments, or evaluation. Upon meeting the basic eligibility requirements, DepEd shall issue a formal, written letter of acknowledgement to the CSO which in effect legitimizes their bid to enter into a BPA with DepEd. Partner CSOs shall also submit the following supporting documents, to be able to enter into a BPA with DepEd:

- a. *Proof of existence and legitimacy*: Copy of Articles of Incorporation registered with the Securities and Exchange Commission (SEC) or other similar documents registered with the Cooperative Development Authority (CDA), Department of Labor and Employment (DOLE), or Housing and Land Use Regulatory Board (HLURB), or any proof of

- existing/previous partnership(s) with DepEd; and as necessary, copy of the duly executed Affiliation Agreement between the Partner CSO and Affiliate CSO.
- b. Board Resolution adopting and officially submitting to DepEd the following original or duly certified true copies of the following:
 - i. Letter of Intent for the partnership;
 - ii. extent of participation desired (e.g.: specific activity to be undertaken, Programs/Activities/Projects (PAPs), geographical location);
 - iii. designation of the CSO signatory to the Budget Partnership Agreement (BPA);
 - iv. statement of *no conflict of interest*, indicating that the CSO and the Partner DepEd are not related by business or contractual relations, and that the CSO officers are not related to DepEd officers by consanguinity or affinity (up to the third degree), or by business or contractual relations; and a declaration of potential conflict of interest, as may be necessary; and
 - v. In the absence of a Board Resolution, a written justification on the non-availability of the said resolution along with the set of documentary requirements that will serve as supporting documents, or an alternative document should be submitted (e.g. Memorandum of Agreement, etc.) to DepEd.
 - c. Other documents or proof of association to support community involvement such as accreditation or links with established national nongovernment organizations (NGOs) or networks; and additional documents that DepEd may deem necessary to support the BPA.
 - d. A CSO which has entered into a BPA with DepEd in FY 2012 agency budget preparation shall also comply with the statements in the preceding sections.

5.2 **Execution of the BPA**

- a. DepEd shall meet with Partner CSOs at the central and/or regional level, whichever is appropriate, to discuss and finalize the BPA, patterned with the DBM prescribed format. The BPA shall:
 - i. clarify roles, duties, responsibilities, schedules, expectations and limitations between the DepEd and CSO;
 - ii. plot out schedules and timelines, including the dates and venue of the consultations; and
 - iii. provide the communication protocol, clearly establishing the DepEd-CSO counterparts and channels of communications.
- b. The Partner CSO and DepEd may mutually agree to add qualifying details to their BPA.
- c. The BPA must contain pre-termination clauses/provisions in case of violation of its terms and conditions, and another separate clause defining the specific period of engagement.
- d. The duly designated representatives from the DepEd and Partner CSOs shall sign the BPA to signal the effectivity of the Agreement. The Central Office (CO) may authorize the Regional Offices (ROs) to execute BPAs with CSOs/local CSOs, subject to these CO guidelines as well as its internal guidelines for the purpose.
- e. Within two (2) days from the effectivity of the BPA, one (1) original copy thereof shall be submitted by the Agency Central Office (ACO) to the DBM-CSO Desk at the Central Office (CO) and by the Agency

Regional Office (ARO) to the DBM Regional Office (DBM-RO), as the case may be.

- f. The BPA shall be made available only to duly-recognized partner CSOs that have submitted a Letter of Intent signifying their interest to enter into an agreement with DepEd.
- g. Notwithstanding the execution of BPA, DepEd may use technical advice from other CSOs provided that such advice is duly substantiated with evidence.
- h. DepEd has the prerogative to use inputs from nonpartner CSOs provided such inputs are duly substantiated.
- i. The CSOs shall furnish the DBM and other partner agencies the list of officers and the designated liason officer in charge of all activities pertaining to the CSO engagement.

6.0 RULES OF ENGAGEMENT

To effectively implement the forged partnership, the partners must be governed with rules of engagement to avoid confusion, potential power struggles, and conflict of interests. The new policy on CSO engagement requires a clear set of rules that will govern the partnerships. After series of consultations, discussions, and meetings, the DepEd and the partner CSOs must come to agree on the following terms to further strengthen the partnership and to ensure smooth implementation of initiatives under these partnerships.

6.1 PROCEDURES ON THE CONSULTATION PROCESS

To provide the context for the discussion and facilitate the assessment and evaluation of existing PAPs, DepEd after the signing of the BPA with partner CSOs, shall provide the Partner CSOs and Affiliate CSOs access to budget data as stipulated in the BPA such as but not limited to:

- a. Summary of requested PAPs including the program/project description and budget allocation;
- b. Details of the PAPs being reviewed/monitored by the Partner CSO; and
- c. Other pertinent data/information as enumerated in the approved BPA.

6.2 PROCEDURES FOR CENTRAL OR REGIONAL CONSULTATIONS WITH CSOs

For Budget Preparation

- a. To achieve transparency, DepEd shall hold their consultations with CSOs not later than the dates prescribed in the Budget Call and DepEd shall hold at least two to three meetings with all Partner CSOs;
- b. The regional CSO consultations shall be conducted before the Regional Development Council (RDC) consultation as much is possible;
- c. DepEd (CO and RO) shall take into consideration the feedback, findings and recommendations of Partner CSOs in the formulation of their respective budget proposals and shall reflect the prescribed DBM template/format in Table 1 of the Budget Call (Annex B of NBC No. 536). The RO shall submit the said summary of RDCs/CSOs feedback on major ongoing PAPs to the CO for consolidation and for transmittal to DBM; and

- d. DepEd shall furnish Partner CSOs (upon their request) the Summary of RDCs/CSOs feedback on major ongoing PAPs.

For Budget Execution

- a. To provide the context for the discussion and facilitate the assessment and evaluation of existing PAPs of the agency, the NGA/GOCC shall immediately (but no later than five (5) working days after the signing of the BPA) provide the Partner CSOs and Affiliate CSOs access to at least the following budget information:
 - i. Summary of NGA/GOCC Budget for the current year, releases in the immediately preceding year (i.e. for the 2012 Budget Execution Phase) and funds actually obligated/spent in the past 3 years before the immediately preceding year (e.g., 2008-2010) and for the GOCC, the actual and proposed summary of corporate operating budgets (DBM Form 706 or its equivalent) covering the five (5) years before the budget year (e.g., 2008-2012);
 - ii. a2 Details of the PAPs being reviewed/monitored by their Partner CSO for the years abovementioned, by activity and allotment class (PS, MOOE, CO); and
 - iii. Other pertinent information as enumerated in the BPA.
- b. Central or Regional Consultations with CSOs
 - i. The NGAs/GOCCs shall immediately hold their consultations with CSOs after the execution of the BPA to ensure a coordinated execution of plans and monitoring activities. To achieve transparency, the NGAs/GOCCs shall endeavor to hold at least one meeting with all Partner CSOs.
 - ii. The regional consultations, monitoring, and assessment shall be conducted for locally situated CSOs and other stakeholders.
 - iii. The NGAs/GOCCs, both at the RO and CO levels, as the case may be, shall take into consideration the feedback, findings, and recommendations of Partner CSOs in the implementation and monitoring of PAPs.
 - iv. The NGAs/GOCCs shall inform Partner CSOs of the DBM-confirmed department/agency budget ceiling and the specific PAPs and the corresponding amounts included in the General Appropriations Act (GAA) against at least their physical and financial performances and indicated timelines.
- c. The BPA shall be the primary requirement for CSOs' or other stakeholders' engagement with the NGA/GOCC. The rules of engagement shall be strictly in accordance with the provisions of the BPA.
- d. The NGA/GOCC shall furnish the DBM an original copy of the BPA, within five working days from the execution of the BPA.

6.3 CSO FEEDBACK AND RECOMMENDATIONS

The CSO feedback and recommendations shall serve as inputs to DepEd in terms of estimating the budget configuration particularly on PAPs, hence, it is suggested that the proposal should be based on rigorous analysis, and shall be duly substantiated with supporting documents/evidences to justify the proposal; and must be submitted by the CSO to DepEd for Budget Committee consideration and approval.

The following are the conditions for the CSOs feedback or recommendations to be included in the consolidated report for DBM:

- a. Detailed analysis of strengthening the links between inputs, outputs and policies/programs needed to achieve key priority development outcomes with the corresponding budget allocation;
- b. Identified poorly performing PAPs through evidence-based and need-based reports; and
- c. Proposal with cost estimates/allocation for program expansion matched with a proposal on what other inefficient/ineffective PAPs which can be discontinued or downsized to make room for the expansion of effective PAPs consistent with the Zero-Based Budgeting (ZBB) approach of DBM.

6.4 ROLES AND RESPONSIBILITIES

- a. DepEd shall:
 - i. Issue a general guideline which contain the rules of engagement as agreed and signed by both parties;
 - ii. Set up a process for accrediting and recognizing the legitimacy of CSOs and donors signifying their intent to partner with DepEd (refer to eligibility requirements for specific and basic qualifications before being considered);
 - iii. Provide information on the actual needs of the Department and of the schools to serve as the basis for partnership or engagement which is both for CSOs who have monitoring projects or CSOs with donations);
 - iv. Prepare and sign a Memorandum of Agreement or Understanding (MOA/MOU) as a means to ensure compliance of individual agreements and to clearly identify the engagement period;
 - v. Present the MOA/MOU to community-level stakeholders to ensure the information dissemination of the functions of the parties involved and the implementation agreements (if necessary);
 - vi. Provide information databases and reports which may be required based on the Budget Partnership Agreement (BPA) for transparency;
 - vii. Institute mechanisms for monitoring performance and accountability; and
 - viii. Render the MOA/MOU void when conflict of interest arises especially on the part of the CSO (e.g., a shift from being a partner to contractor).
- b. Partner Civil Society Organizations and other Stakeholders shall:
 - i. Identify the PAPs in line with their mandate and advocacy that shall be coordinated with the NGA/GOCC after the conduct of the orientation. All areas of interest in the monitoring activities shall be presented to the NGA/GOCC for deliberation before the BPA is formally executed;
 - ii. Attend consultations/meetings with their Partner NGA/GOCC in accordance with the stipulations of the BPA. The Partner CSOs shall regularly meet with their Partner NGAs/GOCCs to harmonize mandates, plans, and strategies;
 - iii. Submit evidence-based analysis and evaluation on issues regarding budget execution as stipulated in the BPA. All reports from the monitoring activities shall be presented to the NGA/GOCC prior to

- releasing them in public. The DBM shall be furnished copies of the final reports including the monitoring activities;
- iv. Coordinate with the mother agency and with the attached agencies (i.e. DA-NIA, DA-NFA, and the like). As necessary, CSOs in the regions/provinces without nationwide affiliations are encouraged to closely coordinate with the AROs;
 - v. Submit proposals with a specific timeline (e.g., if the project is for Summer 2012, proposals must be submitted six months before to assess the feasibility, as well as to prepare for the implementation of the program with the guidance of the concerned unit);
 - vi. Prepare and sign a MOA/MOU as a means to ensure compliance of individual agreements and clearly identify the engagement period;
 - vii. Present the MOA/MOU especially at the community-level to ensure the functions of the parties and its implementation agreements;
 - viii. Provide information databases and reports of the monitored and evaluated PAPs for transparency;
 - ix. Provide collective feedback to DepEd on a regular (quarterly) basis based on a system-wide monitoring framework;
 - x. Institute mechanisms for monitoring performance and accountability;
 - xi. Prepare evidence-based recommendations to the Department with the end-view of improving efficiency of processes and effectiveness of the inputs; and
 - xii. Participate in the planning and budgeting of the department for the current fiscal year.

7.0 REPORT/FEEDBACK MECHANISM

- 7.1 The NGAs/GOCCs shall document the conduct and results of the consultation with CSOs, in particular, and the citizen participation in the budget process, in general, and submit a copy thereof to the DBM.
- 7.2 Likewise the CSOs shall likewise document their experience and lessons learned from the engagement with the NGAs/GOCCs.
- 7.3 To achieve greater transparency, the NGAs/GOCCs and CSOs may publish final evaluation reports after the NGA/GOCC has accepted the CSO report either in print or through the websites.
- 7.4 To assess the effectiveness of and document the lessons learned from the implementation of this effort, the DBM shall organize fora not later than November 30 of each year.

These guidelines shall take effect immediately upon approval and publication at the DepEd website.