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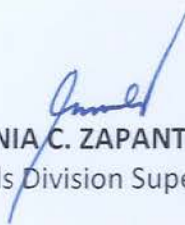

MEMORANDUM

TO : SCHOOL PRINCIPALS OF THE FOLLOWING SCHOOLS:
COGON HS EVENING CLASS
DR. CECILIO PUTONG NHS
MANGA NHS
MANSASA NHS
TAGBILARAN CITY SCIENCE HS

SUBJECT : IMPLEMENTING GUIDELINES ON THE RELEASE AND UTILIZATION OF MAINTENANCE AND OTHER OPERATING EXPENSES ALLOCATIONS FOR SENIOR HIGH SCHOOLS

DATE : July 5, 2017

1. Your attention is directed to the attached DEPED Order No. 22 series of 2017 Re: Implementing Guidelines on the Release and Utilization of MOOE Allocation for Senior High School.
2. SHS MOOE will be downloaded to the respective schools using the replenishment method.
3. Strict compliance to this order is required.


VIRGINIA C. ZAPANTA, Ed D. CESO V
Schools Division Superintendent 



Republic of the Philippines
Department of Education

20 APR 2017

DepEd ORDER
No. **22**, s. 2017

**IMPLEMENTING GUIDELINES ON THE RELEASE AND UTILIZATION
OF MAINTENANCE AND OTHER OPERATING EXPENSES
ALLOCATIONS FOR SENIOR HIGH SCHOOLS**

To: Regional Directors
Schools Division Superintendents
Public Secondary School Heads
All Others Concerned

1. For the information and guidance of all concerned, the Department of Education (DepEd) hereby issues the enclosed **Implementing Guidelines on the Release and Utilization of Maintenance and Other Operating Expenses (MOOE) Allocations for Senior High Schools**.
2. Immediate dissemination of and strict compliance with this Order is directed.

LEONOR MAGTOLIS BRIONES
Secretary

Encl.:
As stated

Reference:
DepEd Memorandum No. 31, s. 2016

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

ALLOCATIONS
EXPENSES
FUNDS

POLICY
SCHOOLS
SECONDARY EDUCATION

SMMA, DO Implementing Guidelines on the Release and Utilization of MOOE
0358-April 12, 2017

Implementing Guidelines on the Release of Maintenance and Other Operating Expenses (MOOE) Allocations of Senior High Schools

I. Rationale

1) The *Enhanced Basic Education Act of 2013* (Republic Act No. 10533) expands the basic education system from a 10-year to a 13-year program with the addition of one year of Kindergarten and two years of Senior High School (SHS).

2) The SHS MOOE funds were lodged in the Central Office under Operations of Schools – Secondary Education in the FYs 2016 and 2017 General Appropriations Act (GAA). This budget shall be released to schools, through their Schools Division Offices (SDOs), based on the guidelines provided herein.

3) This DepEd Order aims to: i) provide guidance to all public SHS on the release and the utilization of their school MOOE; ii) ensure timely and optimal use of school resources, and iii) institute mechanisms for transparency and accountability.

4) It is based on the following legal bases: (i) Department of Budget and Management (DBM) and DepEd Joint Circular No. 2004-1 dated January 01, 2004, entitled "*Guidelines on the Direct Release of Funds to DepEd-Regional Offices and Implementing Units*", (ii) Section 10, Republic Act No. 9155 (Governance of Basic Education Act of 2001), which provides that the appropriations intended for the regional and field offices (elementary/secondary schools and Schools Division Offices [SDOs]) are to be allocated directly and released immediately by DBM to the said offices, and (iii) Section 11, Republic Act No. 10533 (Enhanced Basic Education Act of 2013), which provides that appropriations for the operationalization of the enhanced basic education be included in the Department's budget.

II. Scope of the Policy

5) This DepEd Order provides the mechanisms, procedures, and standards for the release, utilization and liquidation of School MOOE for all public SHS nationwide. This also defines the roles and responsibilities of each level of governance in managing school MOOE.

III. Policy Statement

6) The DepEd hereby establishes the mechanisms, procedures and standards in the utilization of school MOOE that shall be followed strictly by public SHS in the country. This policy also promotes equity, transparency and accountability.

IV. Procedures

A. Release of Funds from the DepEd Central Office

7) The 2017 budget for school MOOE lodged in the Central Office under Operations of Schools – Secondary Education represents the funding requirements of schools offering the SHS Program for January to December 2017.

8) The budget for SHS MOOE was computed based on: (i) a per capita cost derived from the rationalized formula for school MOOE applied to Junior High Schools in 2017, and (ii) on the estimated enrolment based on the data on actual enrollment for School Year 2016-2017 on the Learner Information System (LIS) as of October 2016. Since data on actual Grade 12 enrolment is still unavailable, the Beginning of School Year (BOSY) data for Grade 11 was multiplied into two to represent two cohorts. The FY 2017 SHS MOOE allocations per school are attached as **Annex A**.

9) School MOOE allocations of all public SHS, such as SHS in existing junior high schools, SHS within elementary schools, and stand-alone SHS in new sites, regardless if they are implementing units¹ or non-implementing units², shall be released through Sub-Allotment Release Order (Sub-ARO) to the SDOs.

B. Release of Funds from the Schools Division Office (SDO)

10) Upon receipt of sub-ARO from Central Office, the SDO shall immediately request for issuance of Notice of Cash Allocation (NCA) from the DBM Regional Office concerned to ensure that cash advances are released promptly to schools, supported by a Monthly Disbursement Program (MDP) to reflect the timing of the need for cash allocation.

11) The SDO shall ensure that MOOE allocations of all public SHS are fully downloaded to the respective heads of schools through cash advance using the replenishment method. Said replenishment must be made within three (3) working days upon receipt of the liquidation report, subject to availability of cash allocations.

12) As a general rule and consistent with DepEd Order No.13, s.2016, SDOs are prohibited from undertaking centralized procurement of any good or service out of school MOOE intended for distribution to schools in kind. In extreme cases, however, such as when the school head or school's accountable officer cannot receive additional cash advance, the SDOs may procure items using school MOOE, provided that they submit a report to their respective Regional Office (RO) and to the Office of the Secretary (OSEC), through the Offices of the Undersecretary for Finance-Budget and Performance Monitoring and Undersecretary for Planning and Field Operations, explaining or presenting:

¹ An implementing unit (IU) administers its own funds since it has bookkeeper and disbursing officer plantilla positions which handle bookkeeping and cashing functions. IUs with agency codes are authorized to open MDS Sub-Accounts in authorized government depository banks and cash allocations are directly issued by the DBM to their respective sub-accounts.

² A non-implementing unit (non-IU) does not have its own financial staff and receives its allocations of school MOOE from their respective SDOs in the form of cash advance.

- 12.1. the need for such items;
- 12.2. the nature, type, quantity, and price of the items listed by the receiving school; and
- 12.3. the estimated price difference between the SDO and school procurement, and the name of the supplier, including the mode of procurement used.

C. Responsibilities of Public SHS

- 13) The public SHS shall:
 - 13.1 Prepare and update its monthly physical and financial plan, mindful of adjustments that may arise given the actual number of students who will enroll in SY 2017-2018.
 - 13.2 Ensure that its accountable officers have duly applied for bonding with the Bureau of Treasury, Fidelity Bond Division;
 - 13.3 Draw cash advance from its supervising/directing SDO for its MOOE requirements;
 - 13.4 Submit to the SDO on or before the 5th day of the following month the original copy of the Cash Disbursement Register (CDR), the paid Disbursement Vouchers (DVs) and all supporting documents which shall serve as liquidation or replenishment of the cash advance granted. Subsequent cash advances shall be granted only upon receipt of the CDR equivalent to at least 75% of the previous cash advance. It is reiterated, however, that any remaining cash advance at the end of the year must be liquidated in full and unexpended balances refunded; and
 - 13.5 Disburse funds in accordance with the existing budgeting, accounting, procurement, and auditing rules and regulations.

D. Uses of School MOOE

- 14) To fund activities as identified in the approved SHS Implementation Plan;
- 15) To support expenses for school-based training and activities that are selected or designed to address the most critical needs that will improve learning outcomes in the school as well as official school meetings, such as but not limited to, Learning Action Cells (LAC) and Continuous Improvement (CI) activities;
- 16) To finance expenses pertaining to graduation rites and recognition activities;
- 17) To procure supplies and other consumables for teachers and students deemed necessary in the conduct of classes;
- 18) To fund minor repairs of facilities, building and grounds maintenance and the upkeep of the school;

- 19) To fund rental and minor repairs of tools and equipment deemed necessary for the conduct of teaching and learning activities;
- 20) To fund rental of facilities for the conduct of classes;
- 21) To pay for wages of full-time utility, building and grounds maintenance, messengerial, janitorial, transportation/mobility and security services;
- 22) To pay for utilities (electricity and water and gas for workshop laboratories) and communication (telephone and Internet connectivity) expenses; and
- 23) To pay for reproduction of teacher-made activity sheets and other resources that may be downloaded from the Learning Resource Management and Development System (LRMDS) portal, which support differences in learning among students.
- 24) The school MOOE may be used to procure small capital expenditure items worth below PhP15,000, as provided in the new Government Accounting Manual issued by the Commission on Audit.
- 25) In no case shall the school MOOE be used for the procurement of school seats, and teacher's tables and chairs, **except** for school furniture which are not procured/provided by the Central, Regional or Schools Division Offices. These may include laboratory and workshop furniture. In no case shall the school MOOE also be used for the procurement of textbooks and other instructional materials, even if these expenditures are contained in the SHS Implementation Plan. In this regard, instructional materials includes publications, periodicals, and review materials.
- 26) The uses of SHS MOOE being proposed by the school head must be reflected in the school's Work and Financial Plan, format hereto attached.

V. Reporting Requirements

- 27) Consistent with the reporting requirements outlined in DepEd Order No.13, s. 2016, all SHS principals/school heads/teachers-in-charge shall:
 - 26.1. Declare all sources of funding of the school, which include school MOOE allocation, private donations, funding support from local government units (i.e. Special Education Fund) and other government agencies, funding support from local stakeholders such as School Governing Councils (SGC), Parent-Teacher-Community Associations (PTCA), civil society organizations (CSO), alumni associations, revenue from school canteen operations, and other income generated from the disposal of assets, rent, or collection of fees (as cited in Special Provisions 1 and 2 under the DepEd budget in the 2017 GAA). The report on sources and uses of school funds shall include not only the amounts of funding

- received by the school but also details on quantity and description, if such donations are received in kind;
- 26.2. Outline the intended utilization of the abovementioned funds, including the timing of such utilization of funds or donations in kind, consistent with its SIP, in its report on sources and uses of school funds;
 - 26.3. Ensure that all procurement using school funds conform to the provisions of Republic Act No. 9184. The report on sources and use of school funds shall include the names of suppliers and service providers where there is procurement of goods and services against school funds;
 - 26.4. Post information on the sources, intended use and actual utilization of school funds in the Transparency Board that must be publicly accessible and must be updated every 3 months; and
 - 26.5. Using the School Report Card, formally communicate/present the sources and uses of school funds to the following stakeholders: (a) faculty and staff of the school, (b) the PTCA, (c) the SGC, and (d) local stakeholders who are active partners of the school (i.e. *barangay* officials, CSO groups, alumni association) in accordance with DepEd Order No. 44, s. 2015.

28) SHS in existing JHS and SHS within elementary schools shall prepare separate financial reports for SHS MOOE apart from their regular school MOOE allocations. These reports shall be submitted to SDOs at the end of each month. The existing accounting and auditing rules and regulations shall govern the liquidation process.

29) All SDOs shall summarize the monthly status of School MOOE utilization submitted by schools and shall submit the same to their respective ROs every 5th day of the month using the format labeled as **Annex B-1**. Such reports shall be consolidated by the ROs concerned for subsequent submission to the Central Office thru the Accounting Division-FS using the format labeled as **Annex B-2** every 10th day of the month. These forms effectively revise the reporting templates that were issued under DepEd Order No.13, s.2016.

VI. Monitoring and Evaluation

30) All offices shall comply with the reporting requirements contained in NBC No. 567 including the submission of Budget and Financial Accountability Reports as prescribed under COA-DBM Joint Circular No. 2014-1 and DBM Circular Letter No. 2016.1

31) The new Program Management Information System (PMIS) shall be rolled out starting FY 2017. It shall serve as a tool for the Department to closely monitor the progress and implementation of various programs, activities and projects. A separate policy will be issued in this regard.

32) Any related concerns not covered by the provisions above may be referred to the Central Office Finance Service-Budget Division at (02) 637-6203 or (02)

637-4214 and/or Central Office Planning Service- Planning and Programming Division at (02) 633-7216.

VII. Penalty Clause

33) The heads of SDOs and schools who violate any provision of this Order shall be dealt with administratively, pursuant to DepEd Order No. 49, s. 2006, the "Revised Rules of Procedure of the Department of Education in Administrative Cases".

VIII. Effectivity

34) This Order shall take effect immediately upon issuance.