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Republic of the Philippines
Department of Education

DepEd ORDER
No. **45**, s. 2015

29 SEP 2015

**GUIDELINES ON SCHOOL-BASED MANAGEMENT (SBM) GRANTS
FOR FISCAL YEAR (FY) 2014**

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

1. To further strengthen decentralization efforts at the school level and in line with Republic Act No. 9155 also known as *Governance of Basic Education Act of 2001*, the Department of Education (DepEd) shall continue providing School-Based Management (SBM) Grants as additional funds to public elementary and secondary schools, which shall be used to augment the school fund on *Maintenance and Other Operating Expenses*. Funds for this purpose come from the Fiscal Year 2014 General Appropriations Act.
2. Eligible disadvantaged elementary and secondary schools shall be entitled to receive this Grant, subject to the enclosed guidelines on the availment, release, utilization, and liquidation of the SBM grants.
3. All DepEd Orders and other related rules and regulations, and provisions which are inconsistent with these guidelines are hereby repealed, rescinded, or modified accordingly.
4. For more information, all concerned may contact the **School Effectiveness Division (SED)**, Bureau of Human Resource and Organizational Development (BHROD), 2nd Floor, Alonzo Building, DepEd Central Office, DepEd Complex, Meralco Avenue, Pasig City at telephone no.: (02) 635-3976 or through email address: bhrod.sed@deped.gov.ph.
5. Immediate dissemination of and strict compliance with this Order is directed.


BR. ARMIN A. LUISTRO FSC
Secretary

Encls.: As stated

Reference: DepEd Order No. 69, s. 2012

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

FUNDS

PROGRAMS

PROJECTS

SCHOOLS

GUIDELINES FOR FY 2014 SCHOOL-BASED MANAGEMENT (SBM) GRANTS

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GUIDELINES FOR FY 2014 SCHOOL-BASED MANAGEMENT (SBM) GRANTS

1.0 Objectives and Statement of Policy

1.1 In line with Republic Act (RA) 9155, the Department of Education (DepEd) has formulated enabling policies and mechanisms to ensure that the school and its community are equipped and empowered to make decisions on what is best for their learners. Studies have shown that effective School-Based Management (SBM) can be established by developing the capability of schools to manage their own affairs. One of the support mechanisms provided to schools is the provision of additional resources through the SBM Grant. The SBM Grant shall be used to augment the school fund on Maintenance and Other Operating Expenses (MOOE).

1.2 The SBM Grant 2014 is a continuing fund valid until December 31, 2015 that can be accessed by eligible disadvantaged schools. The SBM Grant aims to improve the performance of schools in terms of student participation and school attendance, completion rates, and student learning outcomes. To attain these goals, the SBM Grant should support activities directed towards a) enhancing the teaching and learning experience in school; b) improving school management and administrative processes; and c) strengthening resiliency of disadvantaged schools.

1.3 Furthermore, given the thrust of DepEd to distribute leadership roles among school stakeholders and to encourage them to be at the forefront of school reforms, School Improvement Plan (SIP) Project Teams and teachers can avail the said SBM Grant as provided in Section 8.5.

1.4 For purposes of monitoring and evaluation, the following are the key performance indicators of this policy:

Criteria	Performance Standards
Efficiency of Liquidation	90% of SBM Grants are fully liquidated by December 31, 2015
Quality of SBM Projects	80% of randomly monitored SBM Grant projects meet the standards of quality set by DepEd Central Office (CO) on SBM projects

2.0 Coverage

2.1 These guidelines cover the utilization of SBM Grant 2014 as stated in Special Provision No. 17 under Section VII-A of the General Appropriations Act (GAA) 2014. Aside from the grant, a Program Support Fund (PSF) shall also be given to Divisions and Regions with eligible schools, and to the CO for creating the support mechanisms needed to help make the SBM initiatives at the school level effective.

2.2 This Order shall detail the guidelines on the selection, allocation, availment, release, utilization, liquidation, monitoring, and reporting of school grants and projects.

3.0 Definition of Terms

For purposes of these guidelines, the following terms shall be taken to mean as follows:

- 3.1 Annual Implementation Plan (AIP) – a year-by-year plan that contains the specific activities, outputs, required resources, schedule, and individual/s who will be accountable for the school's Priority Improvement Areas (PIAs).
- 3.2 Disadvantaged schools – small schools belonging to 3rd, 4th, 5th, and 6th income class municipalities.
- 3.3 Enhanced School Improvement Plan (SIP) – an improved planning process released in 2015 which uses tools of the Continuous Improvement (CI) Methodology, emphasizing a more participatory and learner-centered approach and encouraging a deeper analysis of the school context through evidence-based problem analysis.
- 3.4 Eligible Schools – schools that meet the eligibility criteria of this policy (see Section 4.1).
- 3.5 Grant – the funding facility authorized to be used by the schools for innovative and/or improvement projects, also known as the SBM Installation and Support Fund or the SBM Grant.
- 3.6 Implementing Units (IUs) – refer to secondary schools that maintain separate books of accounts.
- 3.7 Learning Action Cells (LAC) – a group of people who organize themselves to learn together and carry out staff development through self learning; local-based staff development system institutionalized by DepEd, primarily to enable teachers to help each other improve their professional competencies during the course of their day-to-day work. Sessions can be held at the School, District, or Division level with focus on improving teachers' instructional management skills and providing immediate on-the-job applications of these skills.¹
- 3.8 Non-Implementing Units (Non-IUs) – refer to public elementary and secondary schools, without separate books of accounts, which are under the direct supervision of the Schools Division Office (SDO).

¹ Mutual Cooperation for School Development, United Nations Educational, Scientific and Cultural Organization (UNESCO), 1985

- 3.9 Program Support Fund (PSF) – a sum of money used to support the operations of Divisions, Regions, and the Central Office as they perform their mandate of ensuring the smooth implementation of the SBM Grants.
- 3.10 Project Team – A school team that implements improvement projects, reports on project status, outputs and outcomes, and prepares and maintains project documentation and records.²
- 3.11 Public Areas – open, accessible, and conspicuous areas in schools (e.g. bulletin boards and transparency boards not only located at the Office of the School Head).
- 3.12 Recipient Schools – eligible schools that are not exempted under Section 4.3.
- 3.13 School-Based Management (SBM) – the decentralization of decision-making authority from Central, Regional, and Division levels to the individual schools, with the intent of bringing together the School Heads, teachers, students as well as parents, the local government units, and the community at large in producing improved learning outcomes through effective schools.³
- 3.14 School Improvement Plan (SIP) – is a roadmap that lays down specific interventions that a school, with the help of the community and other stakeholders, undertakes within a period of three (3) consecutive school years. It aims to improve the three key result areas in basic education: access, quality, and governance. It is evidence-based, results-based, and child- or learner-centered. The SIP is central in SBM and is prepared by the School-Community Planning Team (SPT). It is the basis for the school's AIP.
- 3.15 School Head - the person responsible for the administrative and instructional supervision of the school. In the absence of a Principal, this concept shall refer to the Teacher-in-Charge, Officer-in-Charge, Master Teacher, or other persons officially designated as School Head by the Schools Division Superintendent (SDS).
- 3.16 Work and Financial Plan (WFP) – Overall physical (targeted outputs) and financial (estimated obligations/expenditures) plan of the agency or unit consistent with their approved budget level for the year, broken down by quarter.⁴

² CI Policies and Procedures Guide

³ A Primer on School-Based Management, DepEd, January 2009.

⁴ Budget Execution Document (BED) Form, Department of Budget and Management (DBM), September 2012

4.0 Selection and Allocation

4.1 Eligibility Criteria

The following criteria are used to determine eligibility:

4.1.1 The school's enrollment

- This is used as an indicator of school size. Using School Year (SY) 2014-2015 enrollment data from the Enhanced Basic Education Information System (EBEIS), a school must have an enrollment of 300 or less to be eligible for SBM Grant 2014.

4.1.2 The income class of the municipality where the school is located

- This follows the municipality income classification used by the National Statistical Coordination Board (NSCB), updated as of 2015.⁵ A school must come from a 3rd, 4th, 5th, or 6th income class municipality to be eligible for SBM Grant 2014.

4.2 Allocation of School Grants and PSF

4.2.1 Considering differences in disadvantage, eligible schools can receive the following grant amounts corresponding to their municipality's income class:

CRITERIA	GRANT
Schools from 3rd Income Class municipalities with an enrollment of 300 or less	PHP 50,000
Schools from 4th Income Class municipalities with an enrollment of 300 or less	PHP 75,000
Schools from 5th Income Class municipalities with an enrollment of 300 or less	PHP 100,000
Schools from 6th Income Class municipalities with an enrollment of 300 or less	PHP 125,000

The grant allocated for each eligible school is shown in **Annex 1**. A regional summary of the number of eligible schools and the total grant eligible schools can receive is shown in **Annex 2A**, while a summary by Division is shown in **Annex 2B**.

4.2.2 PSF Allocation

The PSF shall be spent for monitoring and evaluation, coaching, mentoring, and other related technical assistance and support to recipient schools. The amount of Php 74,410,000.00 shall be used as PSF.

⁵ <http://www.nscb.gov.ph/activestats/psgc/listmun.asp>

The CO shall be allotted a PSF of Php 4,000,000.00 to cover expenses on policy research, monitoring and evaluation, capacity building, and technical assistance.

The amount of Php 59,528,000.00 (80% of the Total PSF) shall be distributed among the Regions and Divisions with eligible schools, proportional to the number of eligible schools in the Division. The SDO will receive half of the PSF and the corresponding Regional Office (RO) will receive the other half. In addition, the amount of Php 10,882,000.00 shall be distributed among the Regions as PSF for the SIP and CI rollout, proportional to the number of *all* schools in the Region.

The PSF each Region will receive is shown in the last two columns of **Annex 2A**, while the PSF each Division will receive is shown in last column of **Annex 2B**.

The PSF fund managers for each administrative level shall be the following: School Effectiveness Division (SED) for the CO, Field Technical Assistance Division (FTAD) for the RO, and School Governance Operations Division (SGOD) for the SDO.

4.2.3 SBM Grant and PSF Allocation for ARMM

A block grant in the amount of Php 25,000,000.00 is hereby allocated to the Autonomous Region in Muslim Mindanao (ARMM) to improve the learning outcomes of its disadvantaged schools. This excludes the PSF of ARMM, which shall be in the amount of Php 1,097,833.87, half of which (Php 548,916.93) will be given to the RO while the other half (Php 548,916.93) will be distributed to SDOs proportional to the number of eligible schools in their Divisions. This PSF shall be used by DepEd ARMM to support the implementation of the SBM Grant.

DepEd ARMM may develop its own SBM guidelines or adopt this policy completely or with modifications provided that the said guidelines adopted by ARMM shall be consistent with the purpose of the SBM Grant as stated in the Special Provisions of GAA 2014.

4.3 Exemption Rule

4.3.1 Unliquidated Funds

A school that has not yet liquidated 100% of its previous SBM Grants (as of December 2014) is disqualified from receiving the SBM Grant. However, in these cases, the Division shall provide the schools a grace period of not more than five (5) calendar days after the issuance of this policy to accomplish the liquidation.

4.3.2 Right of Refusal or Grant Reduction Request

Schools may refuse to accept the SBM Grant within five (5) calendar days after the effectivity of this policy through communication in writing addressed to the SDS. The communication shall indicate the subject as **SBM Grant** and shall state the reason or justification for refusal. The SDS will inform the SED of the refusal through email address **bhrod.sed@deped.gov.ph**. The request for grant reduction shall follow the same procedure contained in this paragraph, with the reduction amount specified.

4.3.3 Replacement Schools

Schools that refuse the SBM Grant and those that are disqualified due to unliquidated funds shall be replaced. Replacements will be selected from the same Division. The SGOD shall select replacements from a list of replacement schools provided by the SED (**Annex 3**). These are schools from 3rd, 4th, 5th, and 6th income class municipalities with enrollment ranging from 301 to 400. These schools are ranked according to their enrollment and municipal income class, and the SGOD shall follow this ranking in selecting replacements (i.e. schools on top of the list shall be selected first).

A replacement school shall be given a Php 50,000.00 grant. If the school to be replaced belongs to a 5th or 6th income class municipality, the Division will select two replacements. If the school to be replaced belongs to a 3rd or 4th income class municipality, the Division will select one replacement.

4.3.4 Excess SBM Grants

The excess SBM Grants from the replacement of schools and grant reductions shall be pooled together as agency savings.

5.0 Eligible Activities and Expenses

5.1 School Grant Eligible Activities and Expenses

5.1.1 The activities must be aligned to the three (3) objectives of this DepEd Order: a) enhancing the teaching and learning experience in school, b) improving school management and administrative processes, and c) strengthening resiliency of disadvantaged schools. The activities should also be based on the SIP.

For illustrative purposes, the following are sample activities for each objective. **These eligible activities are just examples and are in no way complete and exhaustive. Therefore, these activities should not be taken as the only means of achieving the said objectives. Based on its needs, the school should prioritize which activities to implement.**

A. Enhancing the Teaching and Learning Experience

- Contextualization of learning materials and teaching guides;
- Creation of teacher-made learning materials for use in differentiated and innovative instruction;
- Capacity-building for teachers on content, pedagogy, and classroom management;
- Classroom activities including the supplies and materials necessary to conduct them;
- CI projects; and
- Organization, mobilization, and other supporting activities of LAC and CI Project Teams.

B. Improving School Management and Administrative Processes

- Conduct of school planning activities particularly the organization and mobilization of the SPT;
- Review and enhancement of SIP using the CI Methodology;
- Preparation and dissemination of the School Report Card (SRC);
- Solid waste management;
- Advocacy and education campaign for internal and external stakeholders;
- Enrollment and attendance management;
- Child mapping or tracking of learners who are at risk of dropping out especially boys;
- School-level orientation and training on SBM, the CI methodology, and LAC; and
- Participation in SDO, RO, or CO meetings, orientations, trainings, and workshops on SBM, CI, and LAC.

C. Strengthening Resiliency of Disadvantaged Schools

- Provision for services and supplies to ensure learners' health and safety;
- Food incentives for extremely poor learners to attend school (e.g. meals and snacks);
- Conduct of school-community emergency preparedness drills;
- Provision for personal hygiene, first aid, deworming medicine, and disaster supplies and kits;
- Minor repairs and refurbishment of classrooms (e.g. repair of roofs, doors, walls, windows, and floors); and
- School Attendance Incentives for extremely poor learners who are at risk of dropping out (e.g. transportation, school supplies, learners' basic clothing, slippers, materials for school projects).

5.1.2 All expenses incurred in support of Section 5.1.1 are eligible as long as the expenses are classifiable as MOOE under Commission on Audit (COA)

Circular No. 2003-001 (**Annex 4**). Furthermore, all transportation expenses used for eligible activities are reimbursable under this grant provided that these shall not exceed 20% of the total SBM Grant received by the school.

5.2 Non-eligible expense items are the following:

- A. Hiring and payment of salaries of additional staff;
- B. Payment of professional fees/honoraria;
- C. Payment of utilities;
- D. Purchase and reproduction of National Achievement Test (NAT) reviewers;
- E. Purchase of commercially available instructional materials;
- F. Field trips and other educational trips;
- G. Purchase of equipment;
- H. Activities funded by other special or national programs or subsidies;
- I. Gifts or tokens for DepEd monitoring and field Technical Assistance (TA) teams; and
- J. Meals and snacks for meetings with external stakeholders in excess of 10% of the total SBM Grant received by the school.

5.3 PSF Eligible Activities

5.3.1 For SDOs, the PSF shall be used for progress monitoring, coaching, mentoring, and technical assistance to the recipient schools to ensure that school grant projects are implemented efficiently and effectively.

Eligible activities include:

- A. Providing orientation on the enhanced SIP and SBM Grant;
- B. Coaching schools during planning;
- C. Gathering community data and other data not available at the school level;
- D. Ensuring that the resources (e.g. materials, technical resources, human resources) that the schools need arrive according to the schedule of their proposed activities;
- E. Monitoring the progress and milestones of the projects;
- F. Reporting and other assistance that may be needed by the recipients;
- G. Forming communities of practice and professional learning sessions to facilitate sharing of good practices and lessons learned;
- H. Reviewing Division-wide program implementation;
- I. Creating advocacy activities and materials to ensure understanding of the SBM Grant and to gather the support of the stakeholders; and
- J. Mobilizing Civil Society Organization (CSO) partners in the monitoring of the SBM Grant. This includes the provision of transportation and meals to enable CSO partners to participate in monitoring activities.

5.3.2 For ROs, the funds shall be used for the following:

- A. Ensuring that the school grants are awarded in accordance to these guidelines;
- B. Ensuring that the Divisions are capacitated to assist schools in implementing their WFPs effectively;
- C. Facilitating the conduct of Region-wide trainings for SDOs and School Heads on the enhanced SIP, CI, and SBM Grant;
- D. Reviewing and evaluating Region-wide program implementation;
- E. Random field inspections and monitoring of schools; and
- F. Mobilizing CSO partners in the monitoring of the SBM Grant. This includes the provision of transportation and meals to enable CSO partners to participate in monitoring activities.

5.3.3 For the CO, the funds shall be used for the following:

- A. Formulating and reviewing policies on school effectiveness;
- B. Undertaking policy research;
- C. Field testing of policies and systems;
- D. Organizing the conduct of nationwide trainings for National and Regional facilitators on the enhanced SIP, CI, and SBM Grant;
- E. Providing technical assistance to field offices and schools;
- F. Monitoring and evaluation;
- G. Documenting and disseminating good practices;
- H. Conducting advocacy activities; and
- I. Mobilizing CSO partners in the monitoring of the SBM Grant. This includes the provision of transportation and meals to enable CSO partners to participate in monitoring activities.

5.3.4 Following the format in **Annex 5**, the PSF Fund Managers of the Division and Region shall also prepare their own WFP which shall be approved by their SDSs and Regional Directors, respectively.

6.0 Risk Mitigation Strategies

To ensure that risks are managed properly, the following strategies shall be undertaken:

6.1 On managing inadequate financial management capacity of recipient schools

The RO and SDO are required to prioritize schools from 3rd, 4th, 5th, and 6th income class municipalities by providing the necessary coaching, mentoring, and other technical assistance or support to these schools at least twice during the school year.

The Regional Technical Assistance and Monitoring Team shall be led by the Regional SBM Coordinator and FTAD, supported by other specialists in the Region.

This team may involve representatives from CSOs during the monitoring of SBM Grants.

The Division Technical Assistance and Monitoring Team shall be led by the SGOD supported by other specialists in school leadership, pedagogy, and finance. Likewise, this team may involve representatives from Local School Boards and CSOs (e.g. District Committee of the Girls Scouts of the Philippines, Boys Scouts of the Philippines, local chapters of the Affiliated Network for Social Accountability in East Asia and the Pacific's (ANSA-EAP) Check My School Philippines, Ateneo School of Government's G-Watch or Government Watch) in the monitoring of SBM Grants.

For the purpose of engaging non-DepEd offices or organizations in monitoring SBM Grants, the Planning and Policy Research Division (PPRD) of the Region shall formulate a corresponding Regional policy within fifteen (15) calendar days upon issuance of this policy. If the Region is unable to issue such a policy, the provisions under this Section shall be sufficient for purposes of involving CSOs in monitoring. The absence of these Regional policies shall not prevent the release of SBM grants to schools.

Transportation and meal expenses of CSO representatives during orientation and monitoring visits shall be charged against the PSF of the concerned office.

6.2 On ensuring transparency and accountability in the use of SBM grant

6.2.1 Measures at the Region and Division

The RO shall post in public areas the utilization of the PSF and summary of the SBM Grant liquidation report. These reports shall also be submitted to the SED by December 31, 2015.

The SDO shall enter into contracts with the recipient schools in its Division and post their names, the grant amount, and a copy of this policy online and in public areas. **Annex 6** shows the Sample School Grant Award Agreement.

6.2.2 Measures at the School

The School Head shall apply for a fidelity bond based on Treasury Circular No. 02-2009. It shall be the responsibility of the SDS to ensure that prior to the release of the entire grant, a School Head has been properly designated for each school and that these School Heads have an existing fidelity bond.

Upon awarding of the grant, the School Head shall post in the school bulletin board, transparency board, or in any public and open area, the total grant amount, date of receipt, and a copy of the WFP submitted to the SDO.

In documenting and reporting the purchase of consumable items (e.g. meals, snacks, kits, school supplies, basic clothing), the report of the School Head shall include photographs with the end-users using or receiving such materials and an acknowledgement receipt or attendance sheet of the end-users.

For the provision of school attendance incentives for extremely poor learners at risk of dropping out, the School Head shall enter into an agreement with the parents or guardians of the learner specifying the school attendance rate that the learner and his parents or guardians have to observe. The said agreement shall be signed by the School Head, and the parents or guardians, and witnessed by the class adviser of the learner. The SGOD shall develop, in consultation with the School Heads of recipient schools, a template of the said agreement, written in a language easily understood by parents and guardians.

Eligible items that cannot be distributed to learners for their own personal consumption and use (e.g. first aid and emergency kits, learning materials) are for the benefit of all and shall remain a property of the school. Hence, the School Head or other school personnel cannot bring these home or to other schools when they transfer. Violation of this Section shall make the school personnel administratively and criminally liable.

7.0 Availing the Funds

7.1 School Grants Availment

7.1.1 The SGOD shall filter the list of eligible schools in **Annex 1** by removing the schools exempted under Section 4.3. This filtered list of recipient schools shall be sent to the SED within ten (10) calendar days after the issuance of this policy following the format in **Annex 7** and shall be the basis for the downloading of funds. These lists shall be published in the DepEd website to inform the concerned ROs and SDOs. The concerned SGODs shall then issue the call for the recipient schools to submit the WFP within five (5) calendar days corresponding to the grant amount stated in **Annex 1** and following the format in **Annex 5**. The SGOD shall appraise the WFP within five (5) calendar days and ensure that the activities are eligible.

7.1.2 If a recipient school submits a WFP with the eligible activities set in these guidelines, the WFP shall be approved. If a recipient school does not submit a WFP or if the WFP does not include eligible activities, the SGOD shall provide technical assistance to the school within five (5) calendar days. After receiving technical assistance and producing a WFP, the WFP shall be deemed approved.

The SGOD shall summarize the WFPs submitted by schools and submit through e-mail a list of schools with approved WFP to the SED on or before November 30, 2015. The SGOD shall also retain copies of the WFP for monitoring purposes.

7.1.3 Upon receipt of the list of recipient schools, the SED shall notify the Budget Division - Financial and Management Service (BD-FMS) of the CO to effect transfer of funds through the issuance of the Sub-Allotment Release Order (Sub-ARO) to the recipient units.

7.1.4 To facilitate availment of funds, the SDO shall:

- instruct the School Heads to apply for a fidelity bond which shall be sourced from the regular MOOE of the recipient schools;
- conduct training for new School Heads and/or finance staff on simplified accounting procedures and on other financial management policies;
- orient the School Heads on administrative and criminal liability for the abuse and misuse of the SBM Grant as well as the falsification of receipts, reports, and other public documents; and
- ensure that recipient schools have liquidated all previous SBM Grants availed; as proof, the SDO shall submit on or before November 15, 2015 the printed and electronic **Summary of FYs 2011 and 2012 SBM Grants Report on Utilization and Liquidation** to the **School Effectiveness Division - Bureau of Human Resource and Organizational Development (SED-BHROD)**, DepEd Complex, Meralco Avenue, Pasig City, and/or through email using the template in **Annex 8**.

7.2 PSF Availment

7.2.1 The RO and SDO shall prepare their respective WFPs based on the downloaded PSF as indicated in **Annex 2A** and **Annex 2B**, respectively.

7.2.2 All programs, activities, or projects (PAPs) led by the SED shall undergo the approval process on requesting authority to conduct PAPs, based on DepEd Order No. 25, s. 2010, Budget Strategy for Basic Education, FYs 2010-2015.

8.0 Releasing of Funds

8.1 The BD-FMS shall immediately effect the transfer of the allotment to the respective units through the issuance of a Sub-ARO to the following:

- A. RO for the Regional PSF
- B. SDOs for IUs and Non-IUs, and the Division PSF (copy furnished to RO)

NOTE: For newly created Divisions, the SBM Grant shall be released to their mother Divisions. The RO is authorized to mediate and facilitate the distribution of the funds between the mother and the newly created Divisions. A copy of said decision by the RO must be sent to the SED within one (1) month after the distribution.

8.2 The SDO shall request the concerned DBM ROs for the release of the Notice of Cash Allocations (NCAs), supported by copies of Sub-AROs corresponding to the allotment released by the CO and the Revised Monthly Disbursement Program (if applicable).

8.3 The SDO shall put into effect the transfer of the amount of SBM Grant to the School Heads of IUs and Non-IUs in the form of cash advances. The cash advance shall specify the name of the school to which the SBM Grant is allocated and the title of the activity for which the SBM Grant is to be applied. School Heads from clusters of schools shall receive the grant of their respective schools and shall be the one responsible for managing and utilizing the SBM Grant.

8.4 The SDO shall release the SBM Grant to IUs and Non-IUs in two tranches: for the first tranche, 70% of the total SBM and for the second tranche, the remaining balance (30%) upon submission of a liquidation report of at least 75% of the previous cash advances.

8.5 Once School Heads receive the SBM Grant, the Project Teams or individual teachers can request in writing from the School Head a portion of the SBM Grant to support the implementation of their classroom or school improvement activities provided that these are eligible activities following Section 5 and are included in the WFP of the school submitted to the SDO.

If the request is denied, the School Head shall explain the reason for denial in writing to the concerned parties and shall explore other sources of funding to support the activities of the Project Teams or individual teachers.

8.6 All SBM Grants must be fully obligated and liquidated immediately or not later than **December 31, 2015** as stated in the Manual of Simplified Accounting Procedures.

9.0 Liquidation and Reporting of Accomplishments

9.1 Liquidation/Utilization Report

9.1.1 The School Head of the recipient schools shall submit the liquidation report of **the utilized fund** to the SDO, on or before the 10th day of the following month **after the conduct of an activity**. For example, if the grant was spent on several activities in the month of August, the liquidation of all these activities shall be made on or before September 10. If there are no activities or expenses in a given month, there is nothing to liquidate on the 10th day of the following month. The Non-IUs shall submit their utilization and/or liquidation reports to their respective SDOs using the disbursement report form for proper reporting, monitoring, and consolidation.

9.1.2 According to COA Circular 2004-006 dated September 9, 2004, evidence of receipt of payment may take several forms, provided such a document contains the following minimum data required:

- A. Name of Disbursing Officer making the payment
- B. Date of Payment
- C. Name of Recipient
- D. Address of the Recipient
- E. Purpose of the Payment
- F. Amount of Payment

Based on this COA Circular, the following supporting documents may be used as evidence of receipt of payment:

- A. Official Receipts (ORs)
- B. Reimbursement Expense Receipts (RERs)
- C. Acknowledgement Receipts (ARs)
- D. Voucher Receipt (VRs)
- E. Credit Card Payment Receipts

9.1.3 Supporting documents of IUs regarding the utilization of the funds and/or liquidation reports shall be retained in their respective schools, while all supporting documents of Non-IUs shall be retained in their respective SDOs. For IUs, a copy must be submitted to the SDO for reference.

9.2 Accomplishment Report

9.2.1 Using **Annex 9**, all recipient schools shall report to their respective SDOs their physical and financial accomplishments after the conduct of the activity on or before the 10th day of the following month. Note that financial accomplishments shall be based on their actual liquidation report.

9.2.2 The SDOs shall review and validate reported accomplishments of recipient schools on or before the 12th day of the following quarter (October 12 and January 12 of the ensuing year).

9.2.3 The SDOs are not prevented from developing other tools for monitoring the progress of projects with specific requirements, as long as these tools will be for the purpose of providing better technical assistance to the schools. However, the SDOs shall make sure that said tool/s do not duplicate any tool included in these guidelines.

9.2.4 Using **Annex 9**, the SDOs shall prepare accomplishment reports which shall be validated by ROs on or before the 15th day of the following quarter (October 15 and January 15 of the ensuing year).

9.2.5 Using **Annex 9**, the ROs shall likewise prepare accomplishment reports which shall be validated by the SED on or before the 20th day of the following quarter (October 20 and January 20 of the ensuing year). Furthermore, the RO shall submit consolidated completion reports to the SED on or before January 20, 2016.

10.0 Procurement Process

10.1 The existing Bids and Awards Committee (BAC) of the school shall be responsible for the procurement of supplies and materials. In the absence of a committee, the School Head shall create one through a memorandum. The school's BAC shall be composed of five members consisting of school personnel and representative/s from the Parents-Teachers Association (PTA) and/or School Governing Council (SGC). In the interest of checks and balances, the School Head is prevented from becoming the chairperson or a member of the school's BAC. The BAC's recommendations on the supplies and materials, however, shall be subject to the School Head's approval. The purchase orders shall be signed by the School Head or his/her authorized representative.

10.2 For schools with less than five (5) permanent employees, schools may avail the services of a BAC that is accessible to their schools (e.g. cluster schools' BAC, District or Division BAC).⁶

10.3 For procurement of goods and services amounting to P50,000.00 and below, the following guidelines from Government Procurement Policy Board (GPPB) Resolution No. 09-2009 must be observed:

10.3.1 The decision to resort to Shopping or Small Value Procurement shall be reflected in the Annual Procurement Plan and must take into consideration the annual procurement requirements of the item to be procured and other market factors, such as fluctuations in prices;

10.3.2 Splitting of contracts is strictly prohibited and is punishable by law. Splitting of contracts means the breaking up of contracts into smaller quantities and amounts, or dividing contract implementation into artificial phases or subcontracts, for the purpose of making it fall below the threshold for Shopping or Small Value Procurement, or evading or circumventing the requirement of public bidding; and

10.3.3 After the decision to resort to Shopping or Small Value Procurement has been made, the conduct thereof may be delegated to the appropriate bureau, committee, or support unit duly authorized by the BAC.

11.0 Roles and Responsibilities

11.1 School Level: The **School Head** or head of the recipient school shall be accountable for the implementation of the SBM Grant and is responsible for the following:

- A. Preparing and submitting the WFP to the SDO, including the physical & financial accomplishment reports and liquidation reports of the previous SBM Grants received;

⁶ DepEd Order 69, s. 2012, Section 8.5.c

- B. Receiving and allocating the grant and implementing the activities indicated in the approved WFP, following the costing parameters and timelines; and
- C. Submitting the liquidation report and the physical & financial report to the SDO, every 10th day of the following month after the conduct of an activity.

11.2 Division Level: The **School Governance Operations Division (SGOD)** shall oversee the overall implementation of SBM Grants at the Division level and is responsible for the following:

- A. Reviewing and confirming the WFPs vis-a-vis the SIPs submitted by the schools;
- B. Advocating the relevance of the program towards achieving efficient and effective learning delivery, and disseminating the lessons learned;
- C. Conducting progress monitoring of SBM Grant implementation to ensure efficient fund utilization and timely submission of liquidation reports of all school recipients;
- D. Consolidating reports submitted by the school recipients such as liquidation reports and accomplishment reports for onward submission to the RO; and
- E. Conducting orientation and training, and providing coaching and technical assistance to the schools pertaining to project planning, resource generation, financial management, and submission of required reports.

The **Schools Division Superintendent (SDS)** shall be the accountable SBM implementer at the Division level.

11.3 Regional Level: The **Regional Field Technical Assistance Division (FTAD)** shall oversee the overall implementation of SBM and is responsible for the following:

- A. Conducting orientation/training for the SDOs;
- B. Conducting evaluation of the SBM Grant;
- C. Consolidating reports submitted by the SDOs such as the liquidation report and accomplishment report for onward submission to the CO;
- D. Participating/initiating research relative to the SBM Grant; and
- E. Providing coaching and technical assistance to the SDOs, when necessary.

The **Regional Director**, as head of the Task Force, shall identify the specialist in the Region who will support the FTAD. Furthermore, the Regional Director shall be the accountable SBM implementer at the Regional level.

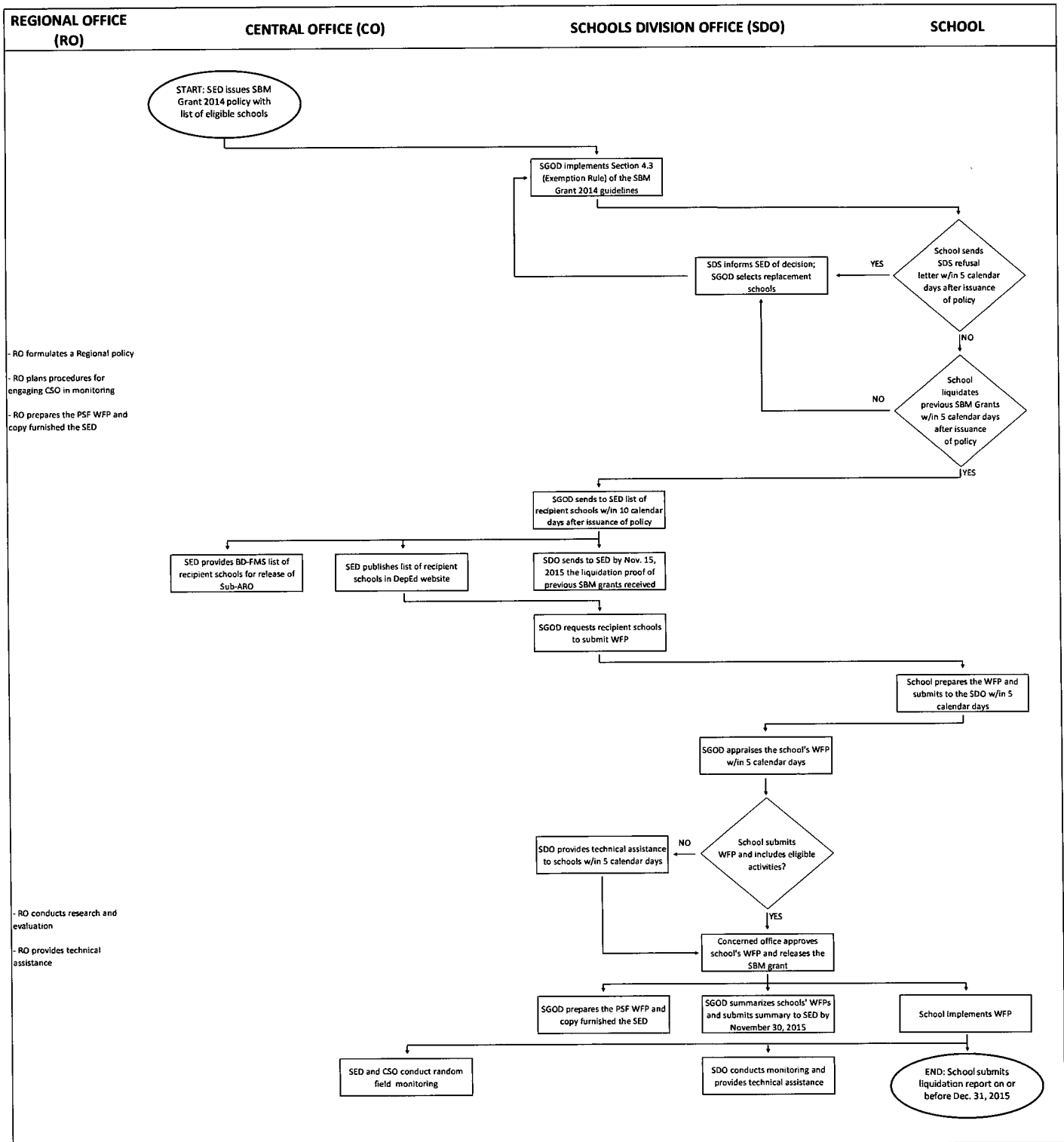
11.4 National Level: The **School Effectiveness Division (SED)** of the Bureau of Human Resource and Organizational Development shall take charge of the overall implementation of the SBM Grant in close coordination with the Finance Service. The functions of the SED are:

- A. Formulating the guidelines on SBM Grant implementation;
- B. Identifying eligible schools based on the criteria set in these guidelines;
- C. Allocating SBM Grants for eligible schools and PSFs for Divisions and Regions;
- D. Monitoring and evaluating SBM Grant utilization;
- E. Initiating the conduct of research relative to the SBM Grant;
- F. Providing coaching and technical assistance to Regions, when necessary; and
- G. Conducting capacity building for the ROs.

12.0 Effectivity

All DepEd Orders and other related issuances, rules and regulations and provisions which are inconsistent with these guidelines are hereby repealed, rescinded, or modified accordingly. Moreover, this policy shall take effect fifteen (15) days after its publication in the Office of the National Administrative Register (ONAR) at the University of the Philippines (UP) Law Center, UP Diliman, Quezon City.

PROCESS OF SBM AVAILMENT AND IMPLEMENTATION



LIST OF REPLACEMENT SCHOOLS

The replacement schools for each Division can be seen in the worksheets of their corresponding Regional files which can be accessed using the links below.

REGION	LINK
REGION I	bit.ly/rep_r1
REGION II	bit.ly/rep_r2
REGION III	bit.ly/rep_r3
REGION IV-A	bit.ly/rep_r4a
REGION IV-B	bit.ly/rep_r4b
REGION V	bit.ly/rep_r5
REGION VI	bit.ly/rep_r6
REGION VII	bit.ly/rep_r7
REGION VIII	bit.ly/rep_r8
REGION IX	bit.ly/rep_r9
REGION X	bit.ly/rep_r10
REGION XI	bit.ly/rep_r11
REGION XII	bit.ly/rep_r12
ARMM	bit.ly/rep_armm
CAR	bit.ly/rep_car
CARAGA	bit.ly/rep_caraga

SBM GRANT 2014 - ANNEX 4

COA Circular No. 2003-001

Date: June 17, 2003

MAINTENANCE AND OTHER OPERATING EXPENSES

Acct. No.	
	Traveling Expenses
751	Traveling Expenses - Local
752	Traveling Expenses - Foreign
	Training and Scholarship Expenses
753	Training Expenses
754	Scholarship Expenses
	Supplies and Materials Expenses
755	Office Supplies Expenses
756	Accountable Forms Expenses
757	Animal/Zoological Supplies Expenses
758	Food Supplies Expenses
759	Drugs and Medicines Expenses
760	Medical, Dental and Laboratory Supplies Expenses
761	Gasoline, Oil and Lubricants Expenses
762	Agricultural Supplies Expenses
763	Textbooks and Instructional Materials Expenses
764	Military and Police Supplies Expenses
765	Other Supplies Expenses
	Utility Expenses
766	Water Expenses
767	Electricity Expenses
768	Cooking Gas Expenses
	Communication Expenses
771	Postage and Deliveries
772	Telephone Expenses - Landline
773	Telephone Expenses - Mobile
774	Internet Expenses
775	Cable, Satellite, Telegraph, and Radio Expenses
778	Membership Dues and Contributions to Organizations
779	Awards and Indemnities
780	Advertising Expenses
781	Printing and Binding Expenses
782	Rent Expenses
783	Representation Expenses
784	Transportation and Delivery Expenses
785	Storage Expenses
786	Subscriptions Expenses
787	Survey Expenses
788	Rewards and Other Claims
	Professional Services
791	Legal Services
792	Auditing Services
793	Consultancy Services
794	Environment/Sanitary Services
795	General Services
796	Janitorial Services
797	Security Services
799	Other Professional Services

SBM GRANT 2014 - ANNEX 4

COA Circular No. 2003-001

Date: June 17, 2003

802		Repairs and Maintenance - Land Improvements
803		Repairs and Maintenance - Runways/Taxiways
804		Repairs and Maintenance - Railways
805		Repairs and Maintenance - Electrification, Power and Energy Structures
	Buildings	
811		Repairs and Maintenance - Office Buildings
812		Repairs and Maintenance - School Buildings
813		Repairs and Maintenance - Hospitals and Health Centers
814		Repairs and Maintenance - Markets and Slaughterhouses
815		Repairs and Maintenance - Other Structures
	Leasehold Improvements	
818		Repairs and Maintenance - Leasehold Improvements, Land
819		Repairs and Maintenance - Leasehold Improvements, Buildings
820		Repairs and Maintenance - Other Leasehold Improvements
	Office Equipment, Furniture and Fixtures	
821		Repairs and Maintenance - Office Equipment
822		Repairs and Maintenance - Furniture and Fixtures
823		Repairs and Maintenance - IT Equipment and Software
	Machineries and Equipment	
826		Repairs and Maintenance - Machineries
827		Repairs and Maintenance - Agricultural, Fishery and Forestry Equipment
828		Repairs and Maintenance - Airport Equipment
829		Repairs and Maintenance - Communication Equipment
830		Repairs and Maintenance - Construction and Heavy Equipment
831		Repairs and Maintenance - Firefighting Equipment and Accessories
832		Repairs and Maintenance - Hospital Equipment
833		Repairs and Maintenance - Medical, Dental and Laboratory Equipment
834		Repairs and Maintenance - Military and Police Equipment
835		Repairs and Maintenance - Sports Equipment
836		Repairs and Maintenance - Technical and Scientific Equipment
840		Repairs and Maintenance - Other Machineries and Equipment
	Transportation Equipment	
841		Repairs and Maintenance - Motor Vehicles
842		Repairs and Maintenance - Trains
843		Repairs and Maintenance - Aircraft and Aircraft Ground Equipment
844		Repairs and Maintenance - Watercrafts
848		Repairs and Maintenance - Other Transportation Equipment
	Other Property, Plant and Equipment	
850		Repairs and Maintenance - Other Property, Plant and Equipment
	Public Infrastructures	
851		Repairs and Maintenance - Roads, Highways and Bridges
852		Repairs and Maintenance - Parks, Plazas and Monuments
853		Repairs and Maintenance - Ports, Lighthouses and Harbors
854		Repairs and Maintenance - Artesian Wells, Reservoirs, Pumping Stations and Conduits
855		Repairs and Maintenance - Irrigation, Canals and Laterals
856		Repairs and Maintenance - Flood Controls
857		Repairs and Maintenance - Waterways, Aqueducts, Seawalls, Riverwalls and Others
860		Repairs and Maintenance - Other Public Infrastructures
	Reforestation Projects	
861		Repairs and Maintenance - Reforestation - Upland
862		Repairs and Maintenance - Reforestation - Marshland/Swampland
	Subsidies and Donations	
871		Subsidy to National Government Agencies
872		Subsidy to Regional Offices/Staff Bureaus
873		Subsidy to Operating Units
874		Subsidy to Local Government Units
875		Subsidy to Government Owned and Controlled Corporations
876		Subsidy to NGOs/POs
877		Subsidy to Other Funds
878		Donations

SBM GRANT 2014 - ANNEX 4

COA Circular No. 2003-001

Date: June 17, 2003

	Confidential, Intelligence, Extraordinary and Miscellaneous Expenses	
881	Confidential Expenses	
882	Intelligence Expenses	
883	Extraordinary Expenses	
884	Miscellaneous Expenses	
	Taxes, Insurance Premiums and Other Fees	
891	Taxes, Duties and Licenses	
892	Fidelity Bond Premiums	
893	Insurance Expenses	
	Non-Cash Expenses	
	Bad Debts	
901	Bad Debts Expense	
	Depreciation	
	Land Improvements	
902	Depreciation - Land Improvements	
903	Depreciation - Runways/Taxiways	
904	Depreciation - Railways	
905	Depreciation - Electrification, Power and Energy Structures	
	Buildings	
911	Depreciation - Office Buildings	
912	Depreciation - School Buildings	
913	Depreciation - Hospitals and Health Centers	
914	Depreciation - Markets and Slaughterhouses	
915	Depreciation - Other Structures	
	Leasehold Improvements	
918	Depreciation - Leasehold Improvements, Land	
919	Depreciation - Leasehold Improvements, Buildings	
920	Depreciation - Other Leasehold Improvements	
	Office Equipment, Furniture and Fixtures	
921	Depreciation - Office Equipment	
922	Depreciation - Furniture and Fixtures	
923	Depreciation - IT Equipment	
924	Depreciation - Library Books	
	Machineries and Equipment	
926	Depreciation - Machineries	
927	Depreciation - Agricultural, Fishery and Forestry Equipment	
928	Depreciation - Airport Equipment	
929	Depreciation - Communication Equipment	
930	Depreciation - Construction and Heavy Equipment	
931	Depreciation - Firefighting Equipment and Accessories	
932	Depreciation - Hospital Equipment	
933	Depreciation - Medical, Dental and Laboratory Equipment	
934	Depreciation - Military and Police Equipment	
935	Depreciation - Sports Equipment	
936	Depreciation - Technical and Scientific Equipment	
940	Depreciation - Other Machineries and Equipment	

SBM GRANT 2014 - ANNEX 4

COA Circular No. 2003-001

Date: June 17, 2003

		Transportation Equipment
941		Depreciation - Motor Vehicles
942		Depreciation - Trains
943		Depreciation - Aircraft and Aircraft Ground Equipment
944		Depreciation - Watercrafts
948		Depreciation - Other Transportation Equipment
		Other Property, Plant and Equipment
950		Depreciation - Other Property, Plant and Equipment
		Depletion
951		Obsolescence - IT Software
		Discounts
954		Discount on Real Property Taxes
955		Discount on Special Education Tax
		Tax Exemptions and Refunds
957		Loss from Tax Exemptions
958		Tax Refunds
		Remittance to National Treasury from Assets Disposal
959		Remittance to National Treasury from Assets Disposal
		Other Maintenance and Operating Expenses
961		Loss of Assets
962		Loss on Guaranty
969		Other Maintenance and Operating Expenses

[illegible]

Date _____

SCHOOL GRANT AWARD AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **AWARD AGREEMENT** (hereinafter referred to as "Agreement") is entered into this ____ day of _____, 2015 at _____, by and between:

[NAME OF SCHOOL], located at _____, represented by the School Head, [Name], (hereinafter called the "**School**");

-and-

DEPARTMENT OF EDUCATION – DIVISION OFFICE OF _____, with office address at _____, represented by the Schools Division Superintendent, [Name], (hereinafter called the "**Division Office**").

WITNESSETH:

WHEREAS, the Department of Education through the Division Office has made available School-Based Management (SBM) Grants to School for the purpose of establishing and strengthening the implementation of SBM and/or support the implementation of specific activities/projects identified in their approved School Improvement Plans;

WHEREAS, the School has requested and was granted a School Grant for said purpose;

WHEREAS, the release, utilization, and reporting the use of SBM Grant shall conform with the provisions of the attached guidelines;

NOW THEREFORE, above premises considered, the Parties hereby commit themselves to perform their respective obligations under this Agreement:

- a. That the Division shall release the amount of _____, upon compliance to Section 7.0 of the SBM Grant Guidelines;
- b. That the School shall be responsible for the implementation and completion of the project and utilization of the Grant for such purpose with due diligence and efficiency;
- c. Both the Division and School shall observe and comply with their roles and responsibilities in implementing SBM as provided in the SBM Grant Guidelines;
- d. That this Agreement shall become effective upon signing of both parties. It will be in force and in effect until [a date], or until earlier terminated by both or any one of the parties; and
- e. That all parties to this agreement shall be provided each with a signed and notarized copy of this document.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed in their names on the day and place above written.

[NAME OF SCHOOL]

Name of the School Head

[NAME OF DIVISION OFFICE]

Name of the Superintendent

WITNESSES:

PTA/COMMUNITY
REPRESENTATIVE

Chief, School Governance
Operations Division/SBM Coordinator

LIST OF RECIPIENT SCHOOLS

Region: _____

Division: _____

[illegible]

*Indicate whether the curriculum offered is for elementary or secondary

****Indicate whether the school is an Implementing Unit (IU) or a Non-Implementing Unit (Non-IU)**

Prepared by:

Name & Signature; Designation

Date _____

REPORT ON FY _____ SBM GRANT UTILIZATION AND LIQUIDATION
as of _____

Region: _____
Division: _____

NAME OF SCHOOL	SCHOOL ID (BEIS)	NAME OF PRINCIPAL*	AMOUNT OF GRANT	CHECK NO.	DATE OF CHECK	DATE RELEASED TO SCHOOL	AMOUNT UTILIZED	AMOUNT LIQUIDATED	DATE OF LIQUIDATION	PROGRAM/PROJECT/ ACTIVITIES CHARGED TO THE GRANT	EXPENDITURE ITEMS	REMARKS
I. Funded under GAA A. Elementary 1 2 3 : : n B. Secondary i. Non-implementing Units (w/out fiscal autonomy) 1 2 3 : : n ii. Implementing Units (w/ fiscal autonomy) 1 2 3 : : n II. Funded under SPHERE (Elementary) 1 2 3 : : n												

Note:
* The name of principal refers to the person who was issued the check.

Prepared by:

SBM Coordinator

Division Accountant

Date: _____
Date: _____

Certified Correct by:

Chair, Division SBM Task Force
Schools Division Superintendent

Date: _____

ACCOMPLISHMENT REPORT TEMPLATE
for Regions, Divisions, and Schools

Implementing Office: _____

Activities	Objectives	Unit of Measure/ Performance Indicator	Physical Accomplishment		Financial Accomplishment			Amount Liquidated	Date of Liquidation	Key Persons Involved	Remarks
			Target	Actual	Expenditure Items	Estimated Cost	Actual Costs Incurred				

Prepared by:

Name & Signature; Designation

Date

Certified Correct:

Head of Office/Organization

Date