



**DEPARTMENT OF EDUCATION**  
**Region X – Northern Mindanao**  
**DIVISION OF MALAYBALAY CITY**  
 Corner Don Carlos-Guingona St., City of Malaybalay



March 13, 2014

**DIVISION MEMORANDUM**

No. 96, s. 2014

126  
 DEPED MALAYBALAY CITY DIVISION  
 RELEASED  
 Date: 3-14-14 Time: 1:06 PM  
 By: [Signature]

To: Public Schools District Supervisors  
 Elementary and Secondary Public School Administrators  
 All concerned

SUBJECT: IMPLEMENTING GUIDELINES ON THE DIRECT RELEASE OF  
 MAINTENANCE AND OTHER OPERATING EXPENSES (MOOE)  
 ALLOCATIONS OF SCHOOLS TO THE RESPECTIVE IMPLEMENTING  
 UNITS

For information and guidance of all concerned, this office hereby disseminate DepED Order No. 12, s. 2014 re: *Implementing Guidelines on Direct Release of Maintenance and Other Operating Expenses (MOOE) Allocations of Schools to the respective Implementing Units.*

Widest dissemination and compliance of all concerned to this memorandum is desired.

[Signature]  
**EDILBERTO L. OPLENARIA**  
 OIC – Schools Division Superintendent

Encl: As stated

Copy Furnished:  
 Records Section

TO BE POSTED IN THE WEBSITE



Republic of the Philippines  
**Department of Education**

06 MAR 2014

DepEd ORDER  
No. **12**, s. 2014

**IMPLEMENTING GUIDELINES ON THE DIRECT RELEASE OF MAINTENANCE  
AND OTHER OPERATING EXPENSES (MOOE) ALLOCATIONS OF SCHOOLS  
TO THE RESPECTIVE IMPLEMENTING UNITS**

To: Regional Directors  
Schools Division Superintendents  
Heads, Public Elementary and Secondary Schools  
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 Direct Release of Maintenance and Other Operating Expenses (MOOE) Allocations of Schools to the Respective Implementing Units**.
2. For any inquiry, all concerned shall contact **the Office of the Assistant Secretary for Financial Management Service**, DepEd Central Office, DepEd Complex, Meralco Avenue, Pasig City through telephone no.: (02) 633-7231 or through fax no.: (02) 683-0867.
3. Immediate dissemination of and strict compliance with this Order is directed.

  
**BR. ARMIN A. LUISTRO FSC**  
Secretary

Encl.:  
As stated

References:  
DepEd Order: No. 60, s. 2011; and (No. 49, s. 2006)

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

EXPENSES  
FUNDS

POLICY  
SCHOOLS

R-MCR/DO-Implementing Guidelines on MOOE  
0171/February 26, 2014

(Enclosure to DepEd order No. 12, s.2014)

**IMPLEMENTING GUIDELINES ON THE DIRECT RELEASE OF MAINTENANCE AND  
OTHER OPERATING EXPENSES (MOOE) ALLOCATIONS OF SCHOOLS TO THE  
RESPECTIVE IMPLEMENTING UNITS**

**1. Legal Bases**

The following are the legal bases of these guidelines:

- a. 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"; and
- b. 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) are to be allocated directly and released immediately by the DBM to the said offices.

**2. Implementation Requirements**

- a. The Implementing Units (IUs) are capable of administering their own funds since they have position items assigned to handle cashing and bookkeeping functions, whether on a permanent or temporary basis.
- b. The DBM has assigned agency codes to the said IUs, hence, they are authorized to open Modified Disbursement Scheme (MDS) Sub-Accounts in government depository banks and the cash allocations intended for the aforementioned IUs are directly issued by the DBM to their respective MDS Sub-Accounts.
- c. The IUS are required to maintain sets of books of accounts.
- d. The MDS Sub-Accounts of Schools Division Offices (SDOs) shall cover transactions of the SDO (Proper), elementary schools (ESs) and secondary schools (SSs) without financial staff.



### **3. Responsibilities of Implementing Units**

#### **a. The DepEd-Central Office (CO) shall:**

- a.i. Provide the Regional and Schools Division Offices with a matrix showing the MOOE allocation of each public ES out of the appropriations authorized for MOOE for each Schools Division Office for Elementary Education under Operations of Schools as reflected in the GAA; and
- a.ii. Post on its website the allocations of ESs as mentioned in Item 3.a.i.

#### **b. The Schools Division Office (SDO) shall:**

- b.i. Inform in writing the heads of ESs and SSs without financial staff of their annual MOOE allocation;
- b.ii. Ensure that, by the end of the year, the MOOE allocations of ESs and non-implementing SSs have been fully downloaded to the respective heads of the said non-IUs through cash advance using the replenishment method. The 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, the SDOs may procure items using school MOOE, provided that they submit a report to the Office of the Secretary, through the Office of the Undersecretary for Finance and Administration, explaining or presenting: (a) the need for such items, (b) the nature, type, quantity and price of the items listed by the receiving school, and (c) the estimated price difference between the division and school procurement, and the name of the supplier, including the mode of procurement used. While the report does not require pre-approval, SDOs must submit such report within thirty (30) days after the conduct of the procurement, for audit and monitoring purposes; and
- b.iii. Submit to the Office of the Secretary, through the Accounting Division – Financial Management Service (FMS), monthly reports on the status of downloading of school MOOE and its utilization.

#### **c. The Elementary School (ES) and Secondary School (SS) without financial staff shall:**

- c.i. Apply for bonding with the Bureau of Treasury, Fidelity Bond Division;
- c.ii. Draw cash advance from their supervising/directing SDO for their MOOE requirements;
- c.iii. Pursuant to Item H.1.1 of the Manual on Simplified Accounting Guidelines and Procedures for the Use of Non-Implementing Units/Schools, Version 2008, submit



to the SDO on or before the 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 advance 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

- c.iv. Disburse funds in accordance with the existing budgeting, accounting, procurement, and auditing rules and regulations.

#### **4. Uses of School MOOE**

- a. To fund activities as identified in the approved School Improvement Plan (SIP), for implementation in the current year, and as specifically determined in the Annual Implementation Plan of the school;
- b. To support expenses for training activities that are selected or designed based on the most critical needs to improve learning outcomes in the school;
- c. To pay for expenses for utilities and communications (e.g. electric, water and telephone expenses);
- d. To procure school supplies necessary in classroom teaching;
- e. To finance expenses pertaining to graduation rites, not to exceed a cost of PhP250 per graduating student;
- f. To pay for wages of janitorial and security services; and
- g. To fund minor school repairs.

Notwithstanding the above, in no case shall the school MOOE be used for the procurement of textbooks and other instructional materials as well as school furniture and equipment, even if these expenditures are contained in the SIP. In this regard, "instructional materials" include publications, periodicals and review materials.

#### **5. Penalty Clause**

The SDO and school heads who violate any provision of this Order shall be dealt with administratively, pursuant to DepEd Order No.49, s.2006, otherwise known as the "Revised Rules of Procedure of the Department of Education in Administrative Cases."

