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THE GOVERNANCE AND FINANCE OF EDUCATION BY LOCAL GOVERNMENTS

May 2021

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List of Acronyms

BARMM - Bangsamoro Autonomous Region of Muslim Mindanao
CAR - Cordillera Administrative Region
DBM - Department of Budget and Management
DepEd - Department of Education
DILG - Department of the Interior and Local Government
ECCD - Early Childhood Care and Development
EdGE - Education Governance Effectiveness
FGD - Focus Group Discussion
LCE - Local Chief Executive
LGU - Local Government Unit
LSB - Local School Board
MOOE - Maintenance and Other Operating Expenses
PFM – Public financial management
SEF -Special Education Fund
SGC- School Governing Council
SIP - School Improvement Plan
SOCCSKSARGEN - South Cotabato, Cotabato, Sultan Kudarat, Sarangani and General Santos
TIMMS Trends in International Mathematics and Science Study
USAID - United States Agency for International Development
USG - United States Government

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Executive Summary

The study is a persuasive case of how critical the Special Education Fund (SEF) is in the delivery of basic education in the Philippines. The 2018 SEF of P32.98 billion was 15% bigger than the Maintenance and Operating Expenditures (MOOE) that were given to schools by the national government (P28.6 billion). On a per capita basis, the SEF of eight (8) Regions was bigger than the per capita MOOE that the Regions received.

While the SEF represents a big sum of money, it also tells a story about scarcity. The SEF finances multifarious needs of schools that the national government is unable to finance. One-half of the SEF (P15.47 billion) financed the operating and maintenance expenses of schools to provide them with basic utilities such as water, electricity, and school supplies.

A quarter of the SEF, P9.86 billion, were spent for infrastructure. In the face of the inability of the central government to complete the planned 47,000 classrooms due to delays in contract awarding and a slash in the DepEd budget to accommodate funding for free tertiary education.¹², LGUs came to the rescue. Local governments were able to finance the construction and repair of an estimated 1,836 classrooms.

The SEF enables schools to hire additional personnel including “volunteer teachers.” This is a misnomer because many of them are qualified having passed the licensure examination. However, they cannot be employed as regular teachers in the absence of available plantilla positions in the national budget. LSBs allotted P7.65 billion from the SEF to hire personnel who are vital for school operations like guidance counselors, librarians, clerks, security guards, and utility personnel.

For the SEF to be an efficient financing tool, it needs to be managed by a functional Local School Board (LSB) led by Local Chief Executives who are true public servant. LSBs need to practice good education governance.

Former DILG Secretary Jesse Robredo defined education governance through his examples He broadened membership and functions of LSBs so that they can be inclusive and participatory. He set metrics of performance to make schools and LSBs accountable for learning outcomes. He introduced transparency in SEF budgeting SEF by discussing how the fund was spent in education summits and townhall meetings.

There are many LCEs and LSBs that follow the Robredo model. They have been helped in the transformation process by the EdGE project supported by the USAID. These LSBs have made the budgeting process inclusive and participatory. A systemic approach is adopted in planning instead of piecemeal and fragmented interventions. More importantly, they have tapped into their General Fund and mobilized additional revenues to supplement the SEF. The SEF is never enough relative to needs.

¹ Budget hearing of the Department of Education, September 30,2019,
<https://cnnphilippines.com/news/2019/9/3/DepEd-school-buildings-budget-cut.html>

² Only 11 school buildings were completed out of the 47,000 that were planned in 2018.

As the study note, MOOE eats up a huge chunk of the SEF budget and additional funds have to be raised for capacity building programs.

The study noted outstanding examples of SEF management. These are the following:

1. The management of LSBs and the SEF through good governance as practiced by members of the EdGE alliance.
2. The use of learning indicators as basis for planning and budgeting as practiced in Agoo, Bacnotan, and San Gabriel, La Union and in cities like Valenzuela, and Cagayan de Oro.
3. Design of incentive packages based on performance as demonstrated by Argao, Cebu and Valenzuela City.
4. The practice of bottom-up budgeting of Valenzuela City which empowers SGCs to participate in crafting the education program of the LGU.
5. The crafting of a Long-term Education plan by the cities of Navotas and Balanga and their incorporation into the LGUs' Development Plan.
6. The dedication/creation of specific office/staff/ individual to coordinate and monitor LSBs programs in the cities of Quezon, Balanga, and Cagayan de Oro.
7. The demonstration to the public of how the SEF is spent and the conduct of organized tax information campaigns in LGUs in Maguindanao: Upi, Paglas, and Buldon.
8. The processes for improving the administration of the real property tax which provides the base for the SEF in Valenzuela City and Upi, Maguindanao—two LGUs which have different conditions but adopted simplification processes as a pre-condition for computerization.
9. A more systematic and objective process for prioritizing the SIP programs of different schools as practiced in General Santos City.
10. Preventing the duplication of funding for services and activities through a joint-review of the MOOE and the SEF budgets as practiced in General Santos City.

Their examples need to be replicated so that efficient education financing can become a culture.

Chapter 1

The Governance and Finance of Education by Local Governments

1. Objectives of the Study. The role of local governments in the delivery of basic education is amorphous and indeterminate. Are they in- charge of constructing school buildings? The Local Government Code says so. It is one of the functions that has been devolved to them.³ But it has remained with the Department of Education in partnership with the Department of Public Works. Local governments are given the power to impose the Special Education Fund tax (SEF) but they have limited powers to spend it based on their needs. The Local Government Code prescribes where the SEF can be used. In addition, a Joint Memorandum Circular by the DBM-DILG and DepEd further limits how the SEF can be used.

The Local School Board which formulates the SEF budget has minimal involvement in policy formulation and planning. At best, it is consulted in the appointment of school officials and provides advice on educational matters to the Local Sanggunian. LSBs have little understanding of the needs of children and the performance of schools. It is common for LSBs to focus on infrastructure because they believe that education is just a matter of inputs. Discussions on outcomes of spending are perfunctory and limited to the report of the Superintendent and Supervisor. Most often than not, the reports are focused on achievements and LSBs have little understanding of the implications of a low “Mean Performance Scores”, and a cohort-survival that is less than 100%.

LSBs are either controlled by the Local Chief Executive (LCEs) or Division Head. LCEs who assume full control over the SEF are those who look at it as a treasure chest. Since children are not voters, they are not the first in the hierarchy of their priorities. The control of the Division/District Head over the SEF is influenced when the LCE considers education as a DepEd matter and outside of his/her mandate. The LCEs can also be beholden to school officials because they are in-charge of manning the polls.⁴

The efficiency with how the SEF is spent has always been a serious concern. Undersecretary Annalyn Sevilla of the DepEd highlighted this need and suggested the conduct of a study to provide an empirical base on how LSBs allocate their SEF. She was equally concerned with equity issues and how poorer areas can be helped to have more access to education finance.

Aside from equity and efficiency, accountability is of equal concern. Who is liable if children perform poorly and who should be given credit if they perform well? Who should give account on the accounts

³ Sec. of the Local Government Code enumerates construction of school buildings as one of the powers that was transferred to local governments.

⁴ USAID’s project entitled Education Governance Effectiveness (EdGE) built the capacity of 91 local governments to be participatory, efficient and transparent in SEF budgeting.⁴

of public spending? Currently, accountability is blurred. Nobody takes the blame and there is finger pointing. This results from transparency, clarity in the allocation of responsibilities and a system of incentives for performance and sanctions for non-compliance.

With the goals of strengthening efficiency, equity, and accountability in the finance education by local governments, Synergeia conducted a study, with the support of USAID and the Department of Education. The questions that the study answers are the following:

1. What activities are financed by the SEF?
2. How do LSBs formulate the SEF budget?
3. What other means are employed by local governments to finance education, aside from the SEF?
4. How is education finance correlated with learning outcomes?
5. What are the best practices of LGUs in raising and handling the SEF?
6. What are the challenges in local education and how can these be addressed?
7. What policy measures can be adopted that can promote greater efficiency and equity in education finance?

2. Research Methodology. A quantitative and qualitative analysis was used in the study. To determine how the SEF is spent, budget documents for 2017 and 2018 were obtained from 67 governments, 57 of which are members of the Education for Governance Effectiveness Alliance (EdGE). We wanted an equal number of samples from the non-EdGE members, but they were not so willing to share the SEF budget documents and participate in the FGD.

The budgetary entries were organized into spreadsheets. Patterns were analyzed with respect to LSBs' priorities in spending. Common patterns and variance in among LGUs were noted. Within data limitations, the study identified where major expenditure items such as MOOE and Capital Outlays were spent. This task was a major challenge. Although the Department of Management (DBM) provides an official definition of Capital Outlays and MOOE, LGUs classified their expenditures in various ways.

As defined by DBM:

- Capital Outlays refer to appropriations for the purchase of goods and services, the benefits of which extend beyond the fiscal year and which add to the assets of the Government, including investments in the capital stock of GOCCs and their subsidiaries.
- Maintenance and Other Operating Expenses (MOOE) refer to expenditures to support the operations of government agencies such as expenses for supplies and materials; transportation and travel; utilities (water, power, etc.) and the repairs, etc.

There were many instances of misclassifications. Expenses for uniform, sports equipment, training, athletic meets, programs and supplies were classified as Capital Outlays while MOOE included construction for classrooms, fence, and acquisition of school supplies. While we did not want to change the figures in the SEF budget, we decided in the end to re-allocate the expenses under their proper classification. Otherwise, we would not have true picture of the activities that the SEF finances.

Simulations were done to observe a correlation between the SEF per capita budget, and performance indicators such as NAT achievement scores, participation and cohort survival rates.

Qualitative assessment was done through the conduct of focus group discussion with 67 LSBs which included the LCE, the Superintendent/Supervisor, representatives from parents, local legislative councils, barangays, NGOs. The FGD focused on the processes of planning, budgeting, disbursement, and management of the SEF. LSB members were asked to describe the following processes:

- The functions that LSBs perform
- Agenda and how LSB meetings are conducted
- Preparations and planning for the budget
- Consultations and means to practice participatory budgeting
- Key official involved in budget preparation
- Review of outcomes from SEF budgets
- Setting of targets
- Use of School Improvement Plans in budget planning
- Deliberations of the budget
- Implementation of the budget
- Monitoring the Disbursements
- Challenges and Recommendations

LGUs officials were asked to discuss what other means they have adopted to finance education programs.

Results of the FGDs were validated with the use of documentary analysis. The Research team analyzed Minutes of LSB meetings, the Local Development Plans and the Annual Investment Plans of the LGUs.

The results of the FGDs were built into case studies. The experiences and practices of LSBs were classified into codes organized into tables to observe patterns and differences in how LSBs function. Processes were summarized to determine trends, patterns, best practices, challenges, and recommendations.

Chapter 2

The Story of the Special Education Fund Tax (SEF)

1. The Commonwealth Period

The practice of earmarking the collection from the real property tax for education goes as far back as 1939. Commonwealth Act 470 (June 16, 1939) appropriated $\frac{2}{8}$ or 25% of the real property tax collection to the school fund of the municipality. The ceiling for the tax rate is $\frac{4}{8}$ of one percent or $\frac{1}{2}$ of 1%. The tax rate is lower but the tax base was broader, i.e. the tax is imposed on the full market value of real properties instead of the current practice where the tax base is just a fraction, or assessed value of the real property.

2. Pre-Martial Law Period

The SEF was created by Republic Act 5447 (September 25, 1968) from two sources:

- a. Ten percent of the collection from taxes on Virginia-type cigarettes and duties on imported leaf tobacco
- b. An additional tax of 1% on the assessed value⁵ of real properties.

The SEF was earmarked to finance the following:

- a. Organization of extension classes to accommodate all children of school age desiring to enter grade 1 as well as the creation of positions for teacher and head teachers for such extension classes;
- b. Construction, repair of elementary school buildings, acquisition of sites, equipment including those needed in vocational courses;
- c. Payment and adjustment of salaries of public school teachers;
- d. Preparation, printing and purchase of textbooks, teachers' guides forms and pamphlets
- e. Purchase of teaching materials;
- f. Implementation of a program on citizenship development;
- g. Education research;
- h. Scholarships for poor but deserving students; and
- i. Promotion of physical education, such as athletic meets.

Municipal governments remitted 30% of the SEF to the National Treasurer, and cities, 60% to "stabilize" the SEF collection by LGUs. LGUs can apply to the Bureau of Public Schools for a share in the SEF that is administered by the national government.

⁵ The assessed value is a percentage of the market value. The percentage varies depending on land use.

The SEF collection of municipal governments was further shared with provincial governments which got 20%.

A Local School Board was created to perform the following functions:

- a. Determine the annual budgetary needs for the operation of public schools in the area and prepare the annual school budget and authorize its disbursement
- b. Apply to the Bureau of Public Schools for a share in the SEF that accrued to the national governments

The Local School Board was composed of the Division Superintendent/District Supervisor, the Representative of the Local Chief Executive (LCE), Local Treasurer, Representative of the Local Legislative Council, and President /elected representative of the League of Parents-Teachers Associations. The Board was mandated to meet at least once a month

One provision worthy of notice is the authority given to the Parents Teachers Association and barrio councils to enter into negotiated contracts valued at P10, 000 or less for the construction and repair school buildings.

3. The Devolution Period

The Aquino government was committed to devolve powers and resources to local governments. The share of local governments from the tax collection of the Bureau of Internal Revenue (BIR) was increased from 20% to 40%.⁶ Devolution transferred many responsibilities to local governments such as basic health services, tourism, social welfare and construction of school buildings.

The Special Education Fund (SEF) was made a local fund. It remains as an additional levy on real properties and imposed by a province or city within Metro Manila at 1% of the assessed value of properties.⁷ The Local Government Code reorganized Local School Boards (LSBs) with the LCE serving as Co-Chair with the Schools' Superintendent or the District Supervisor. Three other members were added: Duly elected Representative of the Teachers' Organizations and Non-Academic Personnel of Public schools, plus the representative of the Federation of the "Sangguniang Bayan" (Local Legislative Council). Aside from formulating the annual SEF budget, nominal functions were added to the FSB:

- a. Provide advice to the Local Legislative Council on educational matters.
- b. Recommend changes in the names of public schools.

The Doped was required to consult with the LSB on the appointment of school officials, such as the Superintendent, Supervisor and principals.

⁶ The Supreme Court ruled that the share of local governments include collections of the Bureau of Customs.

⁷ Sec. 235 of the Local Government Code of the Philippines,

4. The LSB Reinvention Period

The dismal performance of the students in the 3rd Trends in International Mathematics and Science Study (TIMSS) and the 55% national average of students in the National Achievement Test in 2003 brought to fore a crisis in education. Its implications on society's goals to attain equity, peace, and development were widely discussed. The Ford Foundation participated in the discussions and decided to embark on an education portfolio in the Philippines. Its strategy was built on "Building a Constituency for Education" through the creation of broad ownership and solution of the problem.

Grants were given to outstanding local governments and CSOs that can transform different components of the basic education system.

- Mayor Jesse Robredo broadened membership and functions of the LSB.
- Governor Josie de la Cruz developed learning interventions in Reading and Math into a system.
- Mayor Reynaldo Aquino involved the teachers in developing instructional materials in reading.
- Governor Rodolfo Agbayani took charge of developing a community-based program on early education including delivery to indigenous communities.
- Dr. Antonio Torralba developed an accreditation system for public high school.
- Mr. John Silva integrated the love of arts, history and culture into the basic curriculum.

More grants were given to broaden the coverage of the portfolio, enrich it with diversity and cohort other change agents. Governor Rafael Coscolluela developed a community based programs with plantation municipalities in Negros Occidental. Mayor Vilma Santos partnered with De La Salle Lipa on a reading program. Iloilo municipalities joined the program with Mayor Raul Baniyas and Jett Rojas as pioneers.

The transformation of Local School Boards served as the core of every program. It was based on an out-of-the box paradigm of Mayor Robredo, i.e. "what the does not prohibit, it allows." Membership of the LSB was broadened to include the business sector, CSOs, and private schools. LSBs started the practice of conducting education summits and measuring performance. Accountability of the LSB was highlighted since the SEF is financed by the taxpayers.

But even before the education programs matured, the Ford Foundation closed its Manila Office. Its closure however opened another door: the grantees organized themselves into a coalition. They banded together and formed a non-profit, non-stock corporation called Synergeia.

5. The Education Governance Movement

The number of LGUs that accepted their leadership in education grew. Growth was fostered by fission that resulted to the multiplication of education agents. Advocacy and a demonstration effect influenced

more LGUs to become part of the transformation process. Mayors and Governors became mentors to their peers.

The replication process was enriched by the introduction of diverse programs depending on the LGUs' needs. Some embarked on summer camps, the others did parenting, some others organized feeding programs, and others provided teachers' training programs. But the core was always a Reinvented LSB. Libraries were built, roads were constructed, and, barangay school boards were established. To prevent projects from becoming discrete and disparate, Synergeia introduced their integration into a system called "Education governance". The system involves restructuring the delivery of education so that it becomes efficient, equitable and participatory. Local governments, schools, and communities become equal partners in planning, decision making, implementation, and monitoring of learning outcomes. They are held equally accountable on how quality education is made accessible to every child.

Mayor Jesse Robredo became Secretary of the Department of Interior and Local Government (DILG) in 2016 strengthened the movement. He encouraged LGU participation in Synergeia's National Education Summit, suggested the inclusion of functional LSB as a requirement to obtain the Seal of Local Governance, and initiated the revision of a Joint Memorandum Circular on how the SEF can be spent.⁸ The Joint Circular **(JC) No. 1, s. 2017** reiterated the use of the SEF⁹ for the following expenditures:

- Operation and maintenance of public schools;
- Construction and repair of school buildings;
- Facilities and equipment;
- Educational research
- Purchase of books and periodicals; and
- Sports development.

The operation and maintenance of public schools includes: a) Payment of compensation/allowances of teachers that are locally hired in elementary and secondary schools; b) Payment of salaries/wages of utility workers and security guards in public elementary and secondary schools; and, c) utilities and communication. The costs of acquiring and titling of school sites can be financed by the SEF.

The budget for facilities and equipment includes laboratory, technical and similar apparatus, information technology and its corollary supporting services *e.g.* internet connection, and maintenance.

The SEF was tapped to help finance the expenditures in running the ECCD program:¹⁰

⁸ The rigors of government delayed the joint approval of government and the circular was only issued after he passed away.

⁹ Sec. 272 of the Local Government Code:

¹⁰ Section 7 (b) of RA No. 10410, "Early Years Act of 2013"

- Salaries/allowances of locally hired Child Development Teachers and/or Day Care Workers
- Organization and support of parent cooperatives to establish community-based ECCD programs
- Facilities and operation of National Child Development Centers.

Chapter 3

Understanding the SEF through Numbers

The SEF picture is not that easy to paint. Government agencies provide different estimates on how much SEF was collected. The Commission on Audit (COA) reported that the SEF raised P32.98 billion in 2018.¹¹ The Department of Budget and Management reported a smaller figure, P12.3 billion.¹² The first challenge in understanding the SEF is reconciling the different estimates provided by government agencies.

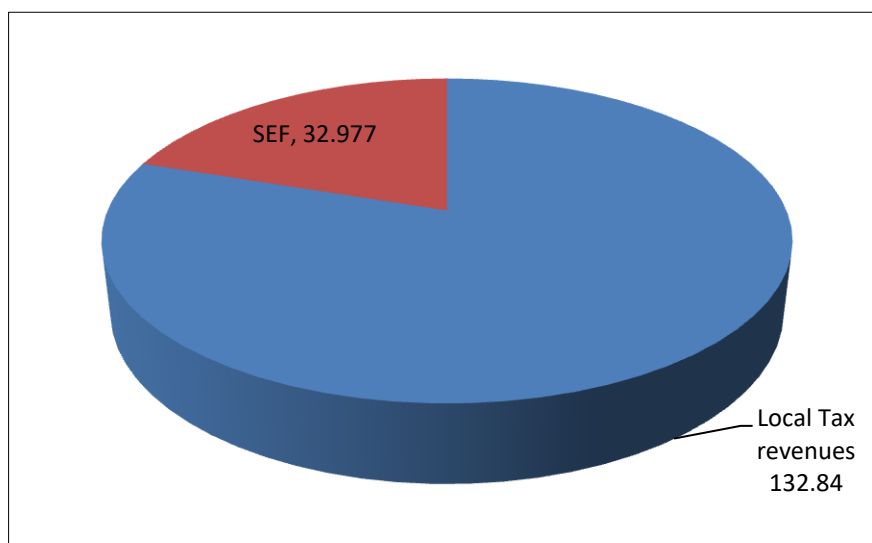
Then, comes the task of analyzing the SEF budgets of local governments. Apparently, LSBs and local budget officers have different interpretations MOOE and Capital outlays. In some budgets, construction of school buildings are classified as MOOE and utility expenses are categorized as capital outlays. And there are entries of salaries and acquisition of school sites under MOOE.

For this study, we used the figures reported by COA. We did our best to classify the expenses under their appropriate categories to get a clearer understanding of how the SEF is spent.

1. How big is the SEF Collection?

The SEF raised P32.98 billion in 2018 and accounted for one-fourth (19.79%) of the tax revenues of local governments. In relation to the total revenues of local governments, i.e. including their share from internal revenue collections, the SEF contributed 4.82%.

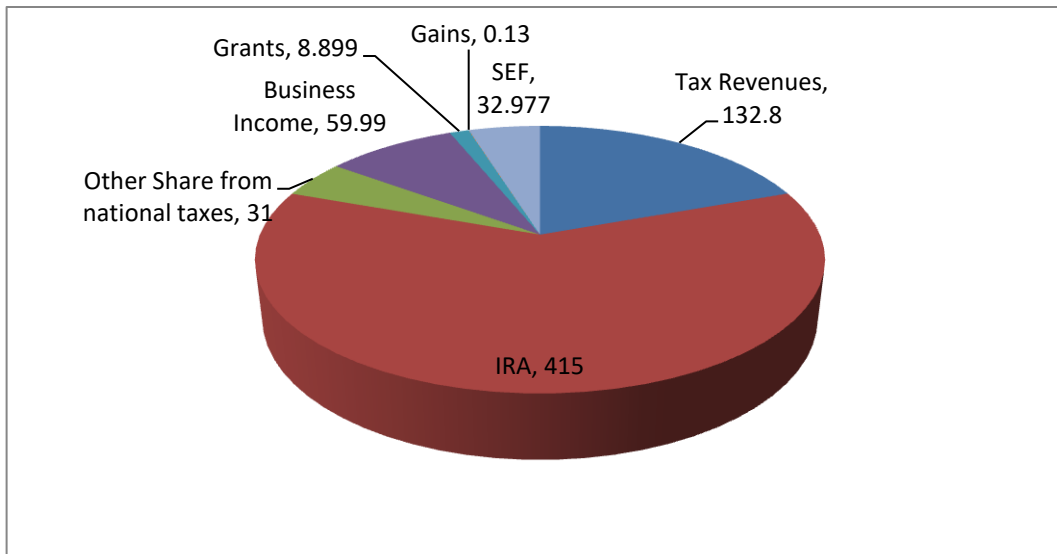
Figure 1. The SEF and the Tax Revenues of LGUs, 2018, in billion pesos



¹¹ Commission on Audit, Annual Financial Report 2018, Local Governments, Volume 1

¹² Department of Budget and Management, Budget of Expenditures and Sources of Financing, 2018

Figure 2. Total Revenues of Local Governments, 2018



Note that some P176 million of the SEF did not come from the tax from real properties but from service and business income of LGUs. Some P11.9 million was sourced from grants and donations.

Apparently, the SEF pot can be made bigger through other means aside from an additional tax on real properties. Sec. 99 of the Local Government Code provides that the LSB budget shall correspond to the SEF and OTHER SOURCES OF REVENUES AS THE CODE AND OTHER LAWS AND ORDINANCES MAY PROVIDE (underscoring supplied). This provision of the law may have been under-utilized by LGUs.

The SEF is a pittance compared to the DepEd budget in 2018. It is merely 5.2 % of the P612 billion of what was appropriated for DepEd in 2018 by the GAA. It is more than one-fourth (26.17%) of the budget for school construction (P126.03 billion), but 15% bigger than the MOOE given to the different DepEd regions (P28.6 billion).

2. How Robust is the SEF Collection?

SEF collection grew by 7.7% in 2018 compared to how much was collected in 2017 (P30.62 billion). It grew a bit faster than the inflation rate of 5.2%¹³ and the GDP growth of 6.2%. Its growth however is weaker compared to the growth of total tax collection of LGUs (15.44%). The business and service income of LGUs is a more buoyant revenue source with a 9.7% annual growth

¹³ Headline inflation rate in 2018, Philippine Statistics Authority, <https://psa.gov.ph/statistics/survey/price/summary-inflation-report-consumer-price-index-2012100-november-2018>

The SEF tax is attached to the real property and has its attributes. It is hard to evade because the tax base, i.e. real properties are visible. Real properties are indicators of wealth and the SEF is considered based on the ability to pay. There are independent sources of market values that LGUs can use such as zonal values established by the Bureau of Internal Revenue. Valuation of properties however is a political issue. Taxpayers normally resent adjustments in property values and the concomitant increase in their real property tax.

(And, market values are re relatively easy to determine. The LGU can use the zonal values established by BIR as a benchmark.)

The SEF collection is stymied by the same factors that hinder the productivity of the real property tax. Real properties are not valued regularly because LGUs think that increasing the tax base lowers their political capital. Many LGUs do not have tax maps and tax administration is done manually. The land reform program gives rise to land ownership disputes. The titling of land is not current and the rightful taxpayer cannot be identified. The sale of land through public auction is not commonly practiced to sanction delinquencies. Of course, the real property tax is structurally infirmed, since only a fraction of, and not the full market value, of the real property is taxed. The assessed value or the base of the tax ranges from 30% to 50% of the market value of real properties.

Tax compliance is difficult to foster especially in poor communities. Land used for residential purposes bear no income. Filipinos are not known to have a high tax ethics.

LGUs have made special efforts to heighten the public's appreciation of the SEF tax and strengthen tax compliance. In his townhall meetings, then Mayor Jesse Robredo brought out the need of city for more conducive learning environment, workbooks for children, and computers for every school. He gave residents the option to choose between borrowing and raising taxes. The residents opted to pay increased taxes.

The Mayor of Upi, Maguindanao adds that the SEF is the only tax that allows the community to see where their money goes. It can incentivize land titling and most of all, funding for education is assured. The campaign for parents to pay their real property tax began with radio programs where children asked their parents to pay their real property tax so they can have more schools, and learning materials. Upi implemented an incentive scheme where tax receipts were raffled and motorcycles were given as prizes. Upi entered into a partnership with Asia Foundation to help in property valuation and records management.

The responsibility of paying taxes is taught in schools. The importance of the real property tax is highlighted by the organization of annual "Tax Parade" in the city of Balanga. Children make posters and placards to drive home the message that their education is reliant on the SEF collection.

LGUs in mountainous areas with indigenous communities implement out of the box strategies. The former Mayor of Villaverde made it a point to go upland and meet her constituents. She designed a

scheme where upland residents were allowed to pay their taxes in kind such as rice, vegetables and chickens. The LGU estimated their values and sold them for cash. The proceeds were credited as tax payments.

The most effective of all the tax campaigns is the taxpayers' realization that the SEF finances worthwhile projects. Valenzuela City puts up colourful banners on the socio-infrastructure that are funded by the SEF: Center for Special Children; school supplies; Reading Summer Camps, Parenting sessions, among the many others. The Mayor's report on how the SEF was spent is an integral part of education summits.

3. The SEF Collection by Region

The SEF collection is highest at the National Capital (NCR) at P13.42 billion which accounts for almost 38% of total SEF.¹⁴ BARMM has the smallest SEF Collection of P35.65 million which is less than 1.0% of the total. Regions III and IVA account for 12% and 21.27% of SEF revenues, respectively. The collection in 4 regions which are less developed such as CAR, Cagayan, Eastern Visayas, and SOCCSKARGEN represent only 4.11% of the total.

The SEF collection in NCR is almost 3 times bigger than the SEF collection in Region 3 (Central Luzon); seven times bigger than the collection in West Visayas (Regions 6) and 14 times bigger than the collection in the Ilocos Region. It goes without saying that poorer regions have much less local revenues which they can spend on education. Their property tax base is less robust because of lower land values and the predominance of residential and agricultural land which have lower assessed values compared to industrial and commercial properties.

¹⁴ COA Report, 2017

Figure 3. Distribution of the SEF Collection, 2019

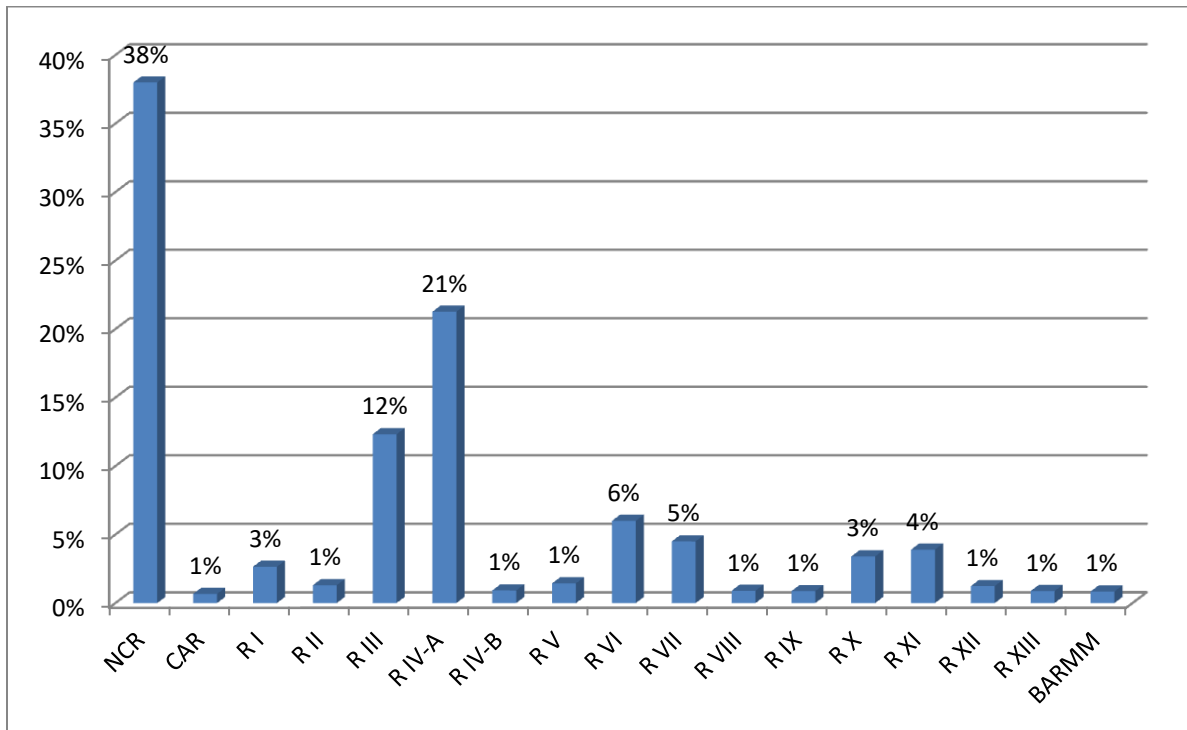


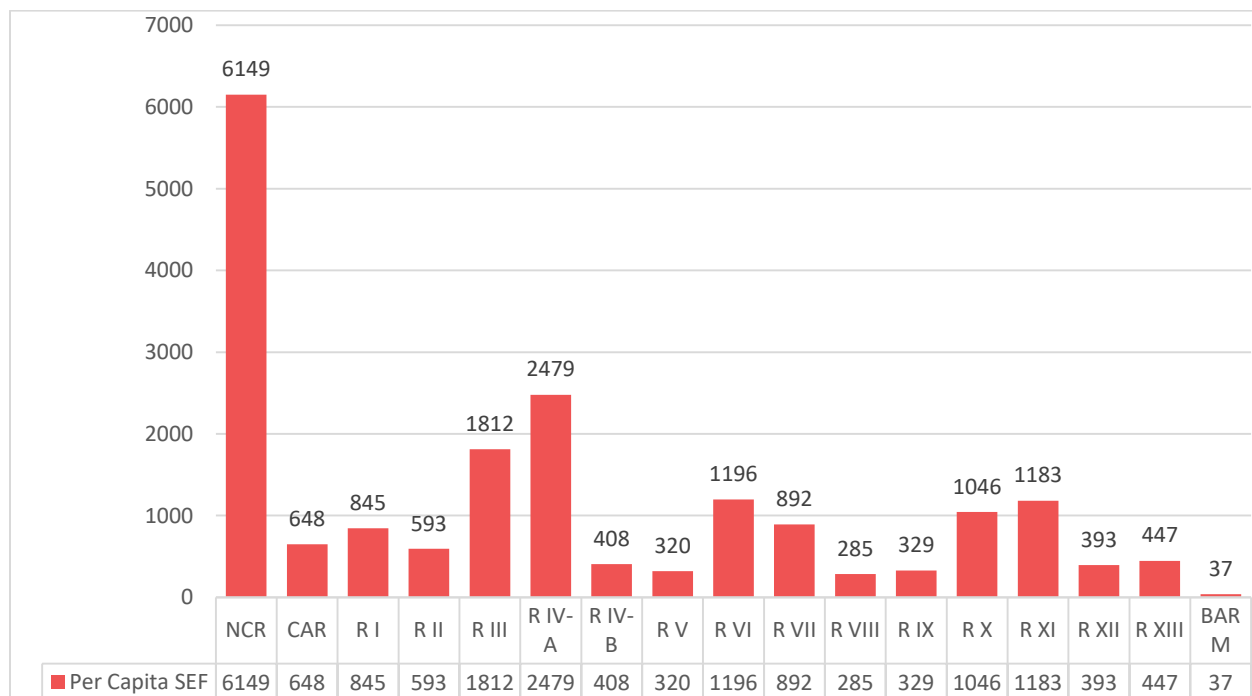
Table 1. Total SEF Collection, by Region, 2019

Amount in Thousand Pesos	
Region	SEF
NCR	14,290.59
CAR	255.11
I-Ilocos	1,007.84
II- Cagayan	499.39
III-Central Luzon	4,676.05
IV-A-Calabarzon	8,075.22
IV-B- Mimaropa	348.17
V- Bicol	547.25
VI-West Visayas	2,280.74
VII- Central Visayas	1,707.75
VIII- Eastern Visayas	348.50
IX- Zamboanga	330.21
X-Northern Mindanao	1,283.62
XI-Davao	1,480.88
XII-Socksargen	469.65

Amount in Thousand Pesos	
Region	SEF
XIII- Caraga	333.55
BARMM	31.93

On a per capita basis, the SEF distribution is skewed in favour of developed regions. A student from NCR has a greater SEF share than students from all the regions. If the SEF were divided equally among students, the per capita share of a student from NCR would be P6, 148 compared to only P37.00 for a student from BARMM; P320 for a student from Region 5 (Bicol) and P285 for a student from Region 8.

Figure 4. Distribution of SEF Per Capita by Region, 2019



4. The Maintenance and Operating Expenditures (MOOE) of Schools

Another source of funding for schools is the MOOE which is part of the budget of the Department of Education. Prior to 2008 the MOOE was disbursed by central office and were given to school in the form of supplies and materials. This system had several inefficiencies. Many of the materials that the schools received were not those that they needed. Procurement and delivery of supplies took time, and the processes were bureaucratic. A centralized system played host to problems of corruption. A decentralized system was formulated not only to promote efficiency in disbursement but to empower school officials especially the principals. The devolution of MOOE was part of a package of reforms

under the Basic Education Reform Agenda (BESRA) and the School Based Management program. Each school received an MOOE that received was based on the number of classrooms, students, and teachers.¹⁵ The MOOE is intended to finance the expenses of schools on supplies, utilities, communications, training activities, graduation rites, security and janitorial services, and minor repairs. The MOOE that was distributed to schools in 2019 totalled P13.22 billion. The share of the different regions is shown in Figure 5.

Figure 5. Distribution of MOOE from the DepEd by Region, 2019 (in thousand pesos)

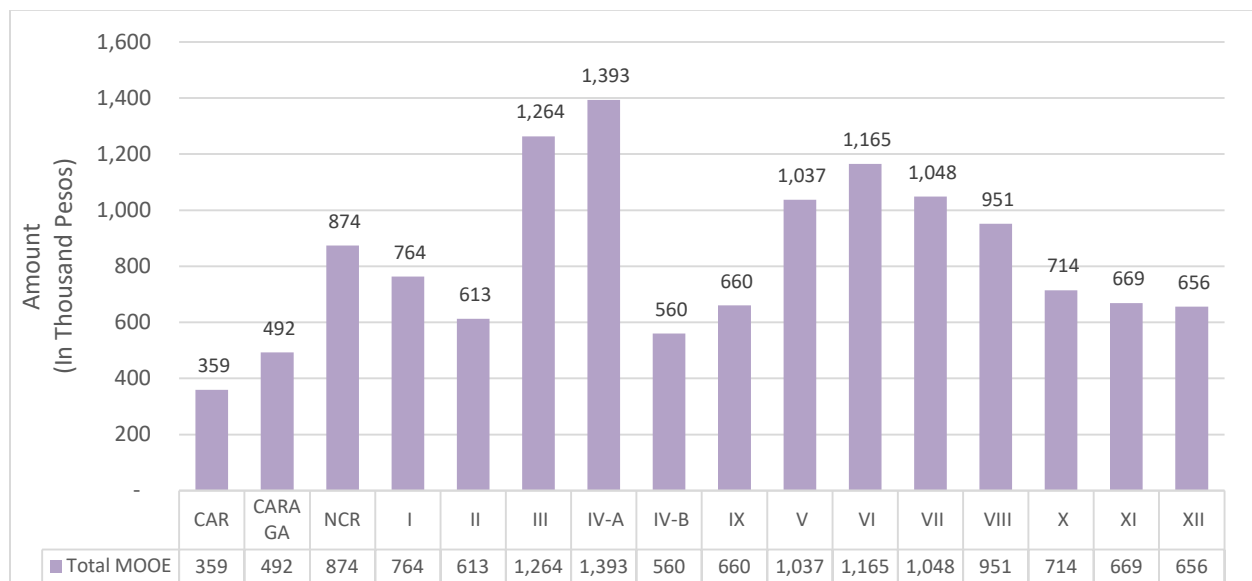
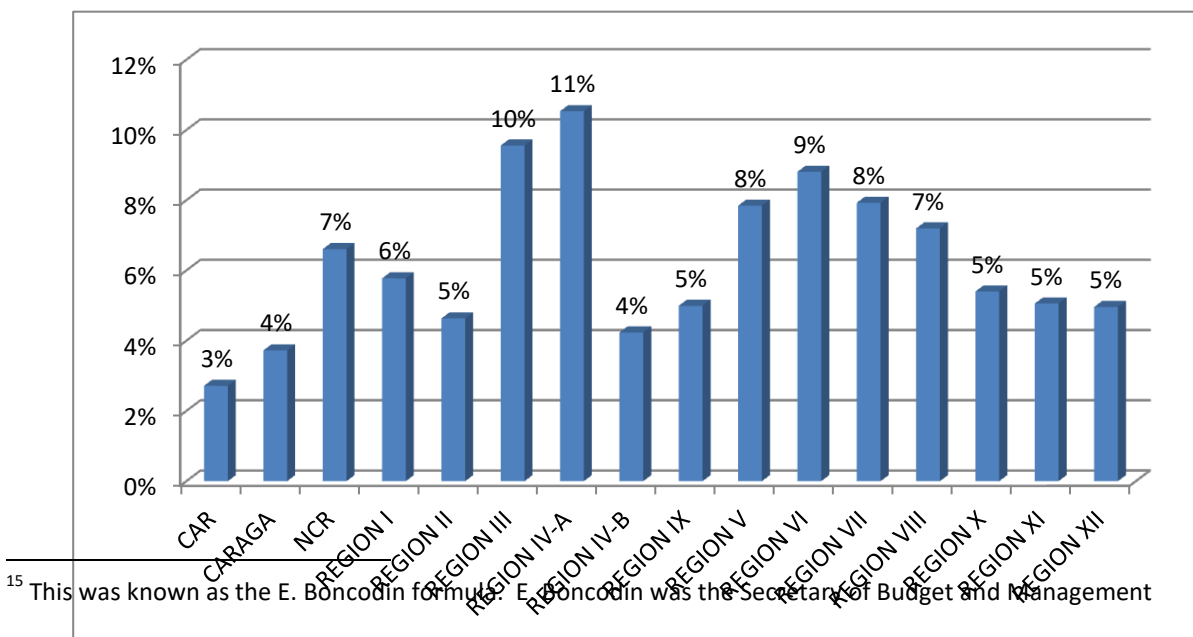


Figure 6. Distribution of MOOE from DepEd by Region, 2019 (in per cent)

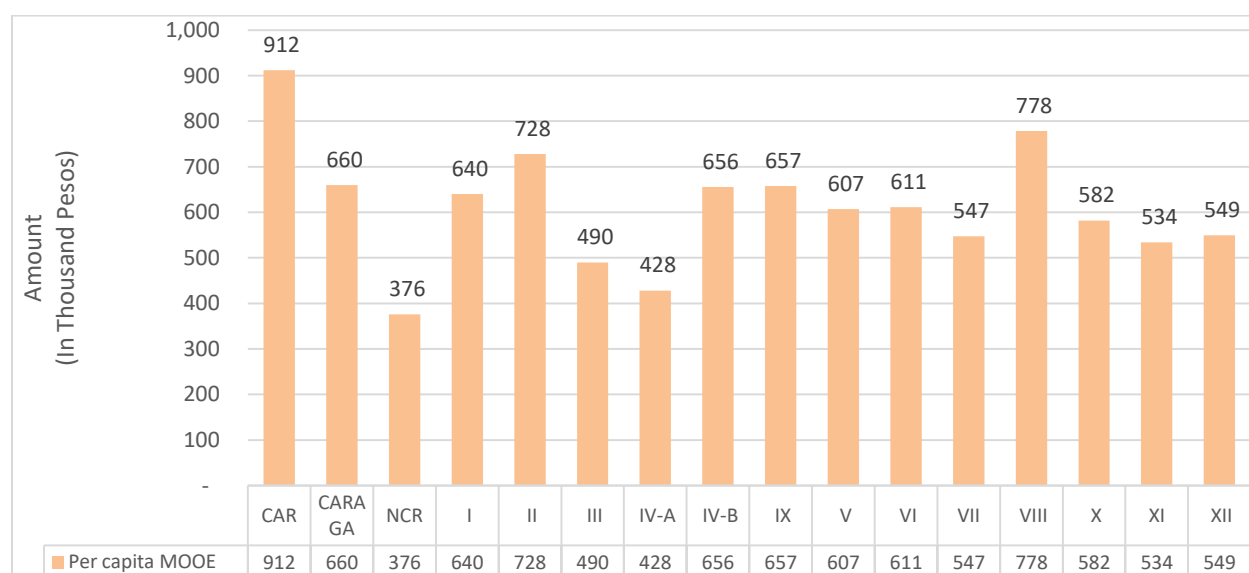


¹⁵ This was known as the E. Boncodin formula. E. Boncodin was the Secretary of Budget and Management

The distribution of the MOOE from DepEd is less skewed compared to the amount of SEF collection by the different regions. Five regions (III, IV A, V, VI, and VII) received MOOE within the 8% to 10% range. Five regions (II, IX, X, XI, XII) received almost equal amounts, i.e. 5% of the MOOE.

An equalizing factor is built into the MOEE formula. Each school is given an equal amount: P50, 000 for every elementary school; P96, 000 for Junior High School, and P100, 000 for Senior High School. There is also a fixed amount allocated per student, per teacher, and for every graduating student. The amount that a school will receive varies depending on the number of its students, teachers, and graduating students.¹⁶ A school that has more students, more students, and more graduating students will have a higher MOOE relative to a school which has less of these variables.

Figure 7. Distribution of MOEE from DepEd, Per Capita, 2019 (in pesos)



The distribution of MOOE from DepEd appears more progressive on a per capita basis. The schools from NCR received the smallest amount per capita of P376.00 compared to all the other regions. Less developed regions are given more MOE. Region 5 received almost twice as much the MOEE that was given to schools from NCR. CAR had the highest allocation of MOOE per capita.

Figure 5 puts together the resources that are available to students and their schools in support of education. On a per capita basis, the SEF can more than reinforce the finance of education by the central government. It highlights how important local governments are in financing the delivery of a better education. At the same time, it also dramatizes the need to help regions with a weak revenue base or weak administrative machinery in raising local revenues.

¹⁶ Source: Caloocan Federation of Public Elementary and Secondary Teachers

Figure 8. Per capita Allocation of MOOE and SEF, 2019 (in pesos)

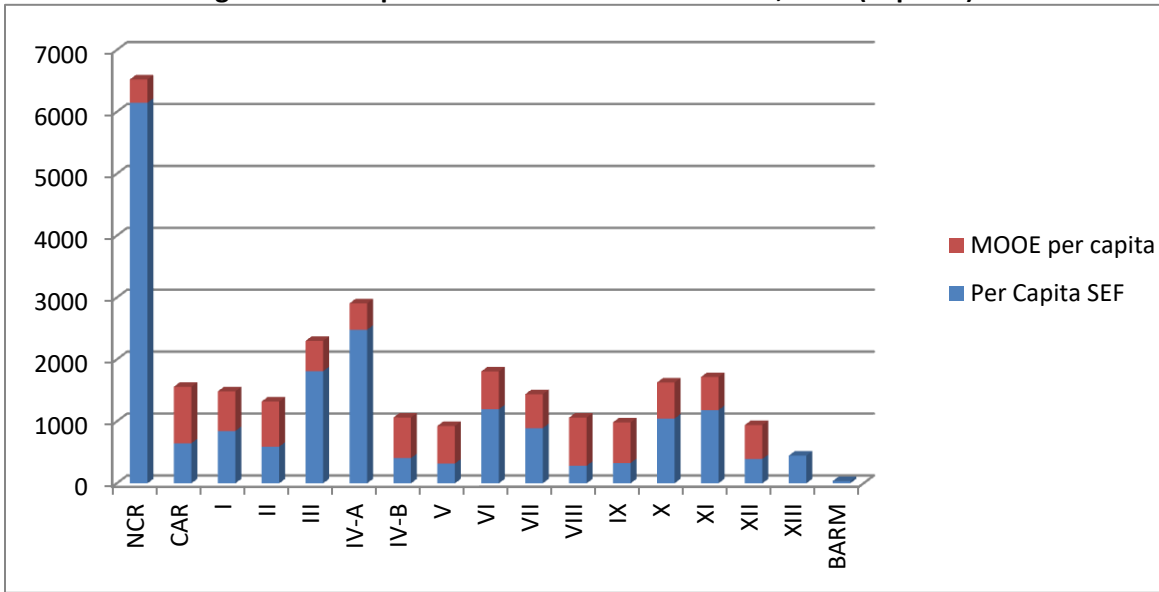


Table 2. Financing Resource of a Student from the MOOE and SEF, 2019 (in pesos)

Region	Per Capita SEF	MOOE per capita	Total SEF and MOOE per capita
NCR	6149	376	6525
CAR	648	912	1560
I	845	640	1485
II	593	728	1321
III	1812	490	2302
IV-A	2479	428	2907
IV-B	408	656	1064
V	320	607	927
VI	1196	611	1807
VII	892	547	1439
VIII	285	778	1063
IX	329	657	986
X	1046	582	1628
XI	1183	534	1717
XII	393	549	942
XIII	447		447
BARM	37		37

Our students face great disparities in the financial support that they get from the central and local governments. The most disadvantaged are students from BARMM. Their LGUs have a weak revenue base-because of various reasons including governance, peace and security problems, and high poverty incidence. From interviews, we have noted that the MOOE from the central government has not been automatically given to schools. This makes their situation worse.

The students from Regions 13, 12, 8, and 5 are disadvantaged likewise, but they are better-off with the provision of MOOE from the central government.

Addressing the unequal access of students to financial resources requires a bridging fund for less developed regions. This however, cannot just be a simple subsidy fund. Subsidies can promote dependency. It can weaken the political will of LGUs to raise more local revenues. What can be developed are conditional grants which can be made available to LGUs upon accomplishment of specific performance indicators, like a 0 dropout rate, an increase in enrolment rate, a reduction in the number of non-readers, or an increase in their revenue effort.

Chapter 4

Where does the SEF Budget Go?

The SEF has many stories. While the SEF represents a big sum of money, it also is about scarcity. The SEF finances multifarious needs of schools that the national government is unable to finance. The construction of covered walks, school stage, and lunch counters may seem minute and inconsequential but they add so much value to the education of children, especially those from the countryside. Children are shielded from rain. They have a place where they can show their talents and tables where they can eat their packed lunch instead of trekking a long distance to go home. In some instances, they no longer go back to attend the afternoon sessions. The inadequacy of budget for education is one of the reasons why Maintenance and Other Operating Expenses (MOOE) ate up nearly one-half of the SEF budget for 2017 and in 2018. Thirty percent (30%) of the SEF was spent on capital outlays and 23.19 % was spent on personnel services. In nominal terms, P15.47 billion was spent for MOOE; P9.86 was invested in Capital Outlays; and P7.65 billion were paid as salaries.

Figure 9. Distribution of SEF by Major Expenses (2018)

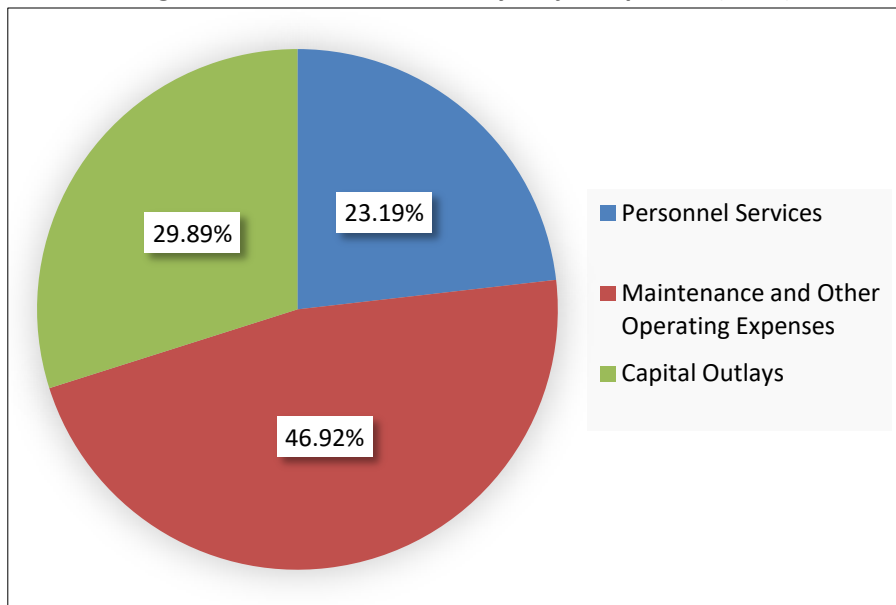


Figure 10. Distribution of SEF by Major Expenses

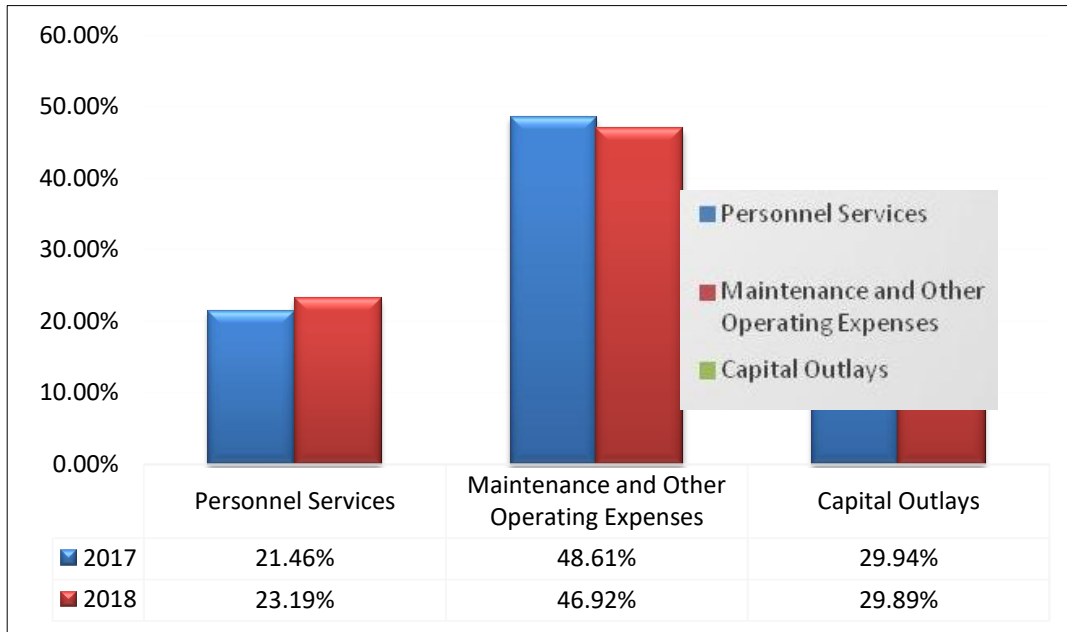


Figure 11. Distribution of SEF by Major Expenses, in Municipalities (2018)

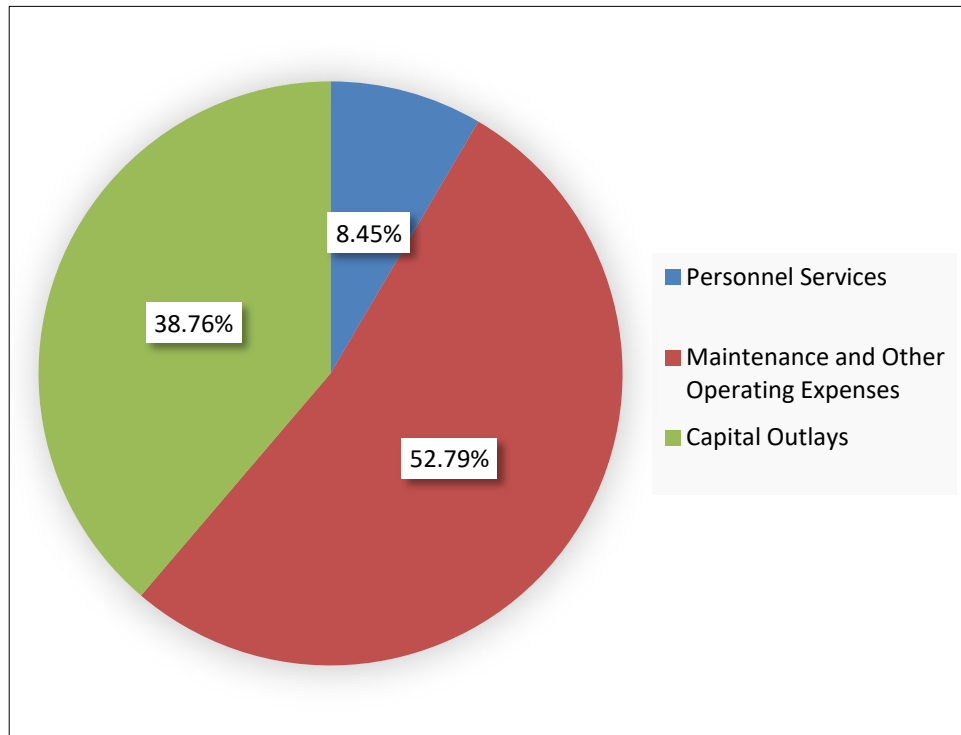
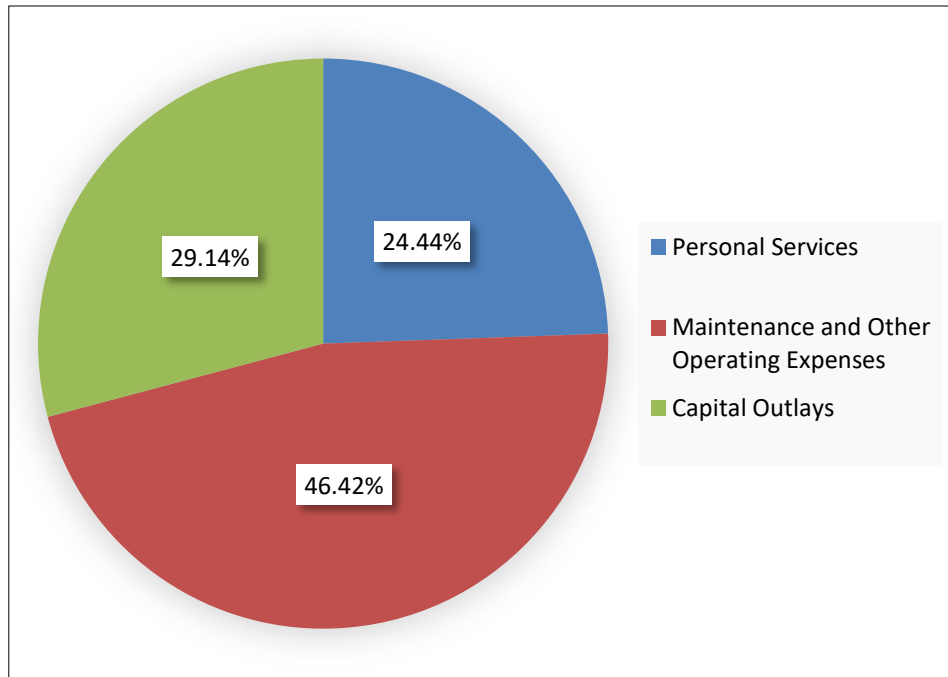
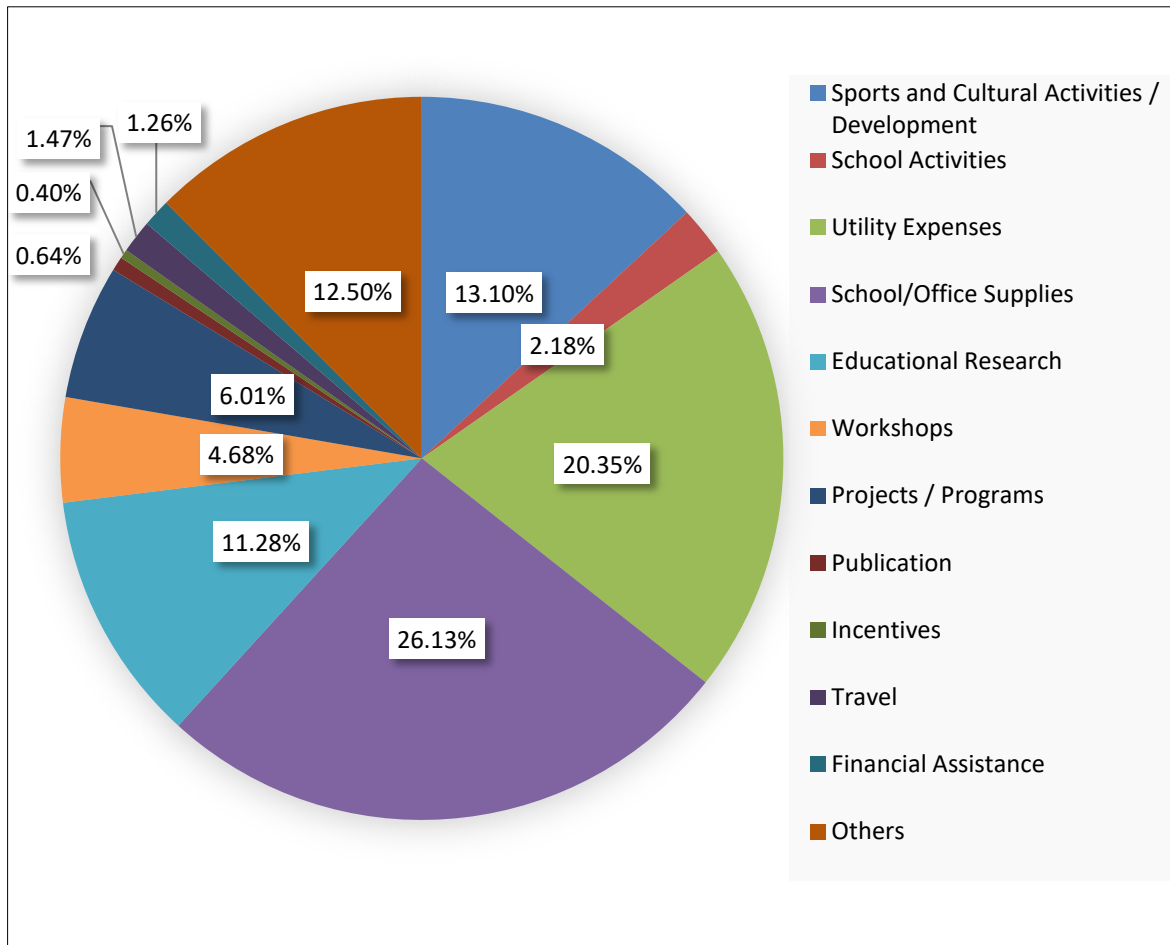


Figure 12. Distribution of SEF of City Governments



There is not a great variance in the allocation of SEF among cities and municipal governments. The MOOE got the bigger share of the SEF pie; more than 50% in the case of municipalities. But the expenses of city governments from personnel services were much bigger than those of the municipal governments. Almost a quarter of the SEF of cities was spent on salaries and wages.

Figure 13. Allocation of the MOOE of Local Governments, 2018



1. Decomposing the 2018 MOOE expenditures

How was MOOE spent?

- 26% of MOOE were spent on school and office supplies
- 20.35% on utilities such as water and electricity
- 13.10% on sports and cultural activities
- 11.28% on educational research
- 12.50% on seminars, workshops on programs and projects
- 6.01 % were spent on projects

The allocation of the SEF budget for MOOE in 2017 was nearly the same. The priorities of LSBs were procurement of supplies, utilities, and the conduct of sports and cultural activities.

1.1. What expenditures constitute “supplies”?

Instructional materials took the biggest share in the MOOE spending in 2018. These include the reproduction of tests such as the Philippine Informal Inventory Test (PhilIRI) remedial reading workbooks. City governments like Cagayan de Oro City stack up their library with books.

One-fourth went to furniture such as desks and tables, and one-fifth was spent on school equipment such as computers and printers. On a per school basis, this only means 2 PCs per school.¹⁷ A much needed equipment that is purchased by LSBs is a sound system that is used for programs and activities.

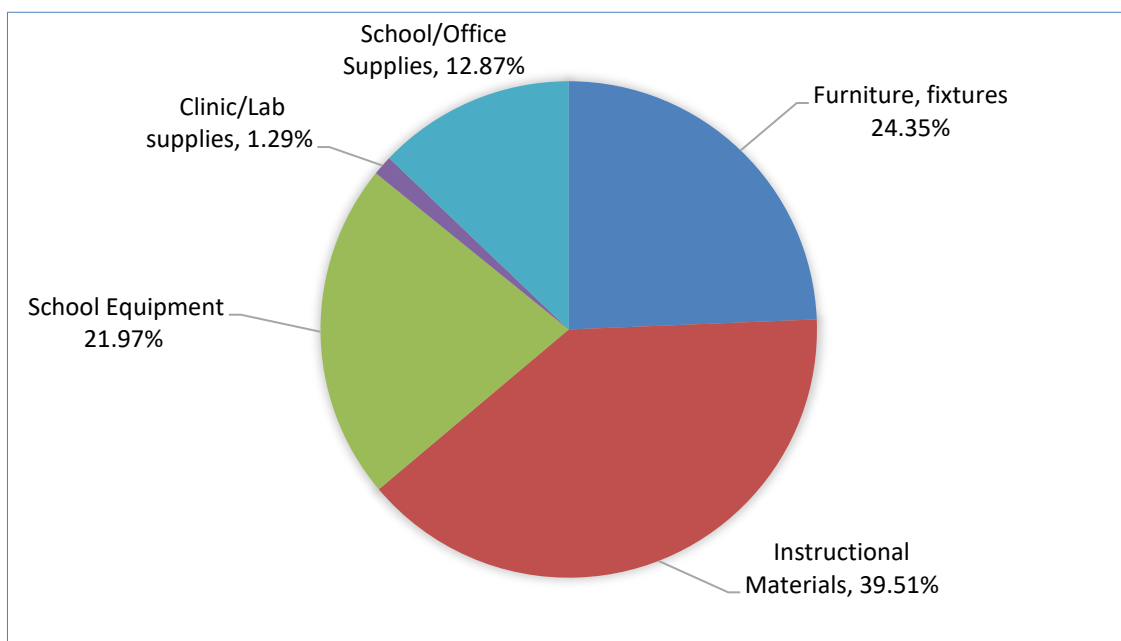


Figure 14. MOOE Allocation for Office Supplies, 2018 (in percent)

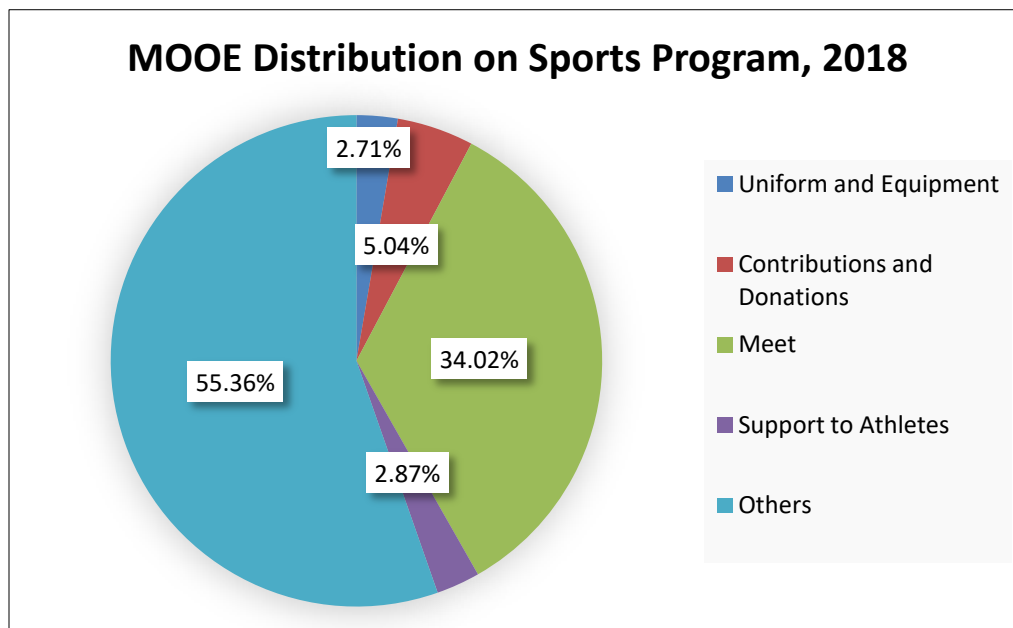
¹⁷ Assuming 38,659 public elementary school and each PC costs P60,000.

There was very little left to procure medicine, health kits, and first aid equipment. While the law, P.D. 856 mandated the establishment of medical and dental clinics in all schools for the treatment of minor ailment and emergency cases, only 28% or about 13,081 of 47,013 public schools have medical clinics.¹⁸ we cannot find any report on how health care is provided to children in public schools. He estimated that it would cost government some P2.5 million to construct a medical/dental clinic or a total of P84.83 billion—a figure that the 2020 GAA was not able to provide. As an interim solution, the DEpEd proposed organizing mobile clinics. The City of Valenzuela leads in the implementation of this initiative. Using its own fund, the city government provides 2 mobile clinics that service the needs of children. Medical personnel led by doctors and dentists provide medical and dental examination including fluoride treatment, sealant application and tooth extraction. The City maintains a medical and dental clinic in all its 3S Centers in every barangay with a full-time health staff complement.

1.2. Spending for Sports and Cultural Activities.

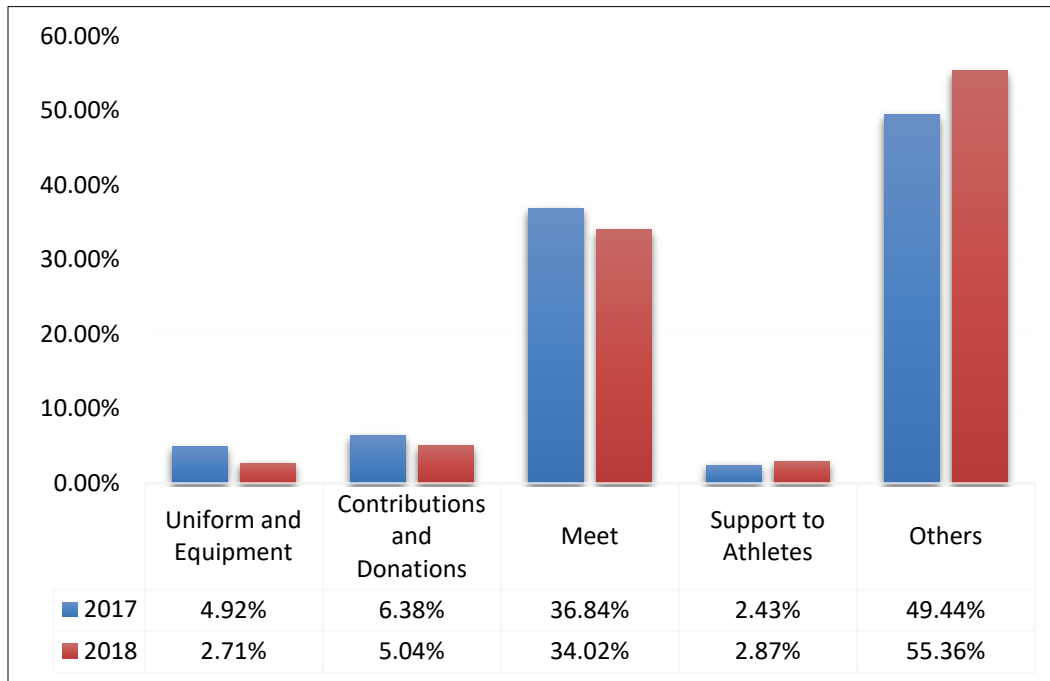
Decomposing the P4.46 billion that were spent for sports and cultural activities was not easy. More than one-half (55.36%) of the MOOE budget in 2018, (P2.47 billion) was reported as “Others” and had no details. The rest of the budget for sports went to “school and division athletic meets,” 34.02% or P839 million, presumably to prepare for the schools’ participation in “Palarong Pambansa.” The small residual in the budget financed a motley of activities: 2.71 % for uniform and equipment; 2.87% for athletes’ support; and 5.04% for contributions and donations.

Figure 15. Allocation of the MOOE for Sports, 2018



¹⁸ Statement of DepEd Undersecretary for Administration Alain Pascua before the House Committee on Education on May 22, 2020, <<https://mb.com.ph/2020/05/22/deped-bats-for-permanent-clinics-in-all-public-schools/>>

Figure 16. MOOE Allocation to Sports, 2017-2018



The pattern of spending for sports was similar for two years—with 50% being spent for “others” and more than a quarter being spent for athletic meets.

To obtain some idea what “others” are made of, we examined SEF budget documents where some details were reported. However, most of them provided no details. Expenses for sports were reported as “support to sports” and “sports development.” One city, Vigan provided some breakdown. Its budget for sports was spent for: 1) school meets;¹⁹ 2) pre-regional meets; and, 3) pre-Palaro meets. Each item of expenditure received an allocation of P1.5 to P2.0 million.

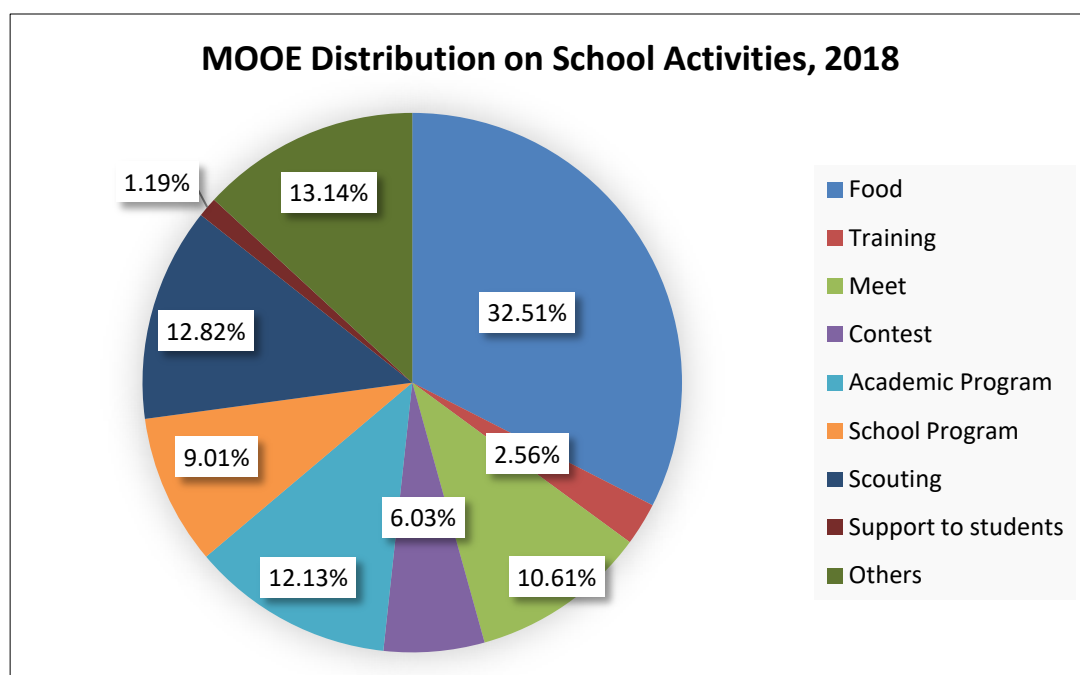
Another city which reported more detailed expenses is Valenzuela City. It spent P21.8 million for its sports development program. In addition, it has a homegrown “Little League Sports program” that integrates value development. The program targets children who are at risk of dropping out and capitalizes on their interest in sports to strengthen their motivation to complete schooling. The P12.0 million appropriation financed training, module development, parenting sessions, uniforms and food for the children. The City sponsored a Paralympics for special children with an appropriation of P677,000.

¹⁹ Sports meets refer to a meeting where a number of athletic contests are held.

1.3. What are School Activities?

The provision of food in school activities is paramount in the finance of school activities. More than a quarter of the budget for school activities was spent for food. This is hardly surprising. The provision of food is always cited by the School Governing Councils as the most important factor that can attract parents to attend school activities.²⁰ Many parents come from afar and the provision of a simple meal is more than welcome. Hunger is a perennial problem of families in the Philippines. About 9.5% or 2.3 million families experienced involuntary hunger in 2019. The magnitude rose to 30.7% or 7.6 million families in September 2020.²¹

Figure 17. Distribution of MOOE on School Activities, 2018



Contribution to the Boy Scouts and Girl Scouts movement took up 12.82% of the appropriation for school activities. Sports activities came again as a major part of the budget for school programs. Schools engaged in "school meets" that were financed by 10.61% of the budget for school activities. About one-tenth was appropriated for school programs and only a little was left for other co-curricular activities such as academic contests, support for students, and training. They were financed by other sources such as the SGCs and the Parent Teachers' Association. They asked for donations from alumni, LGU officials, or hold simple raising revenue-activities such as "zumba for a cause," beauty contests, and bingo games.

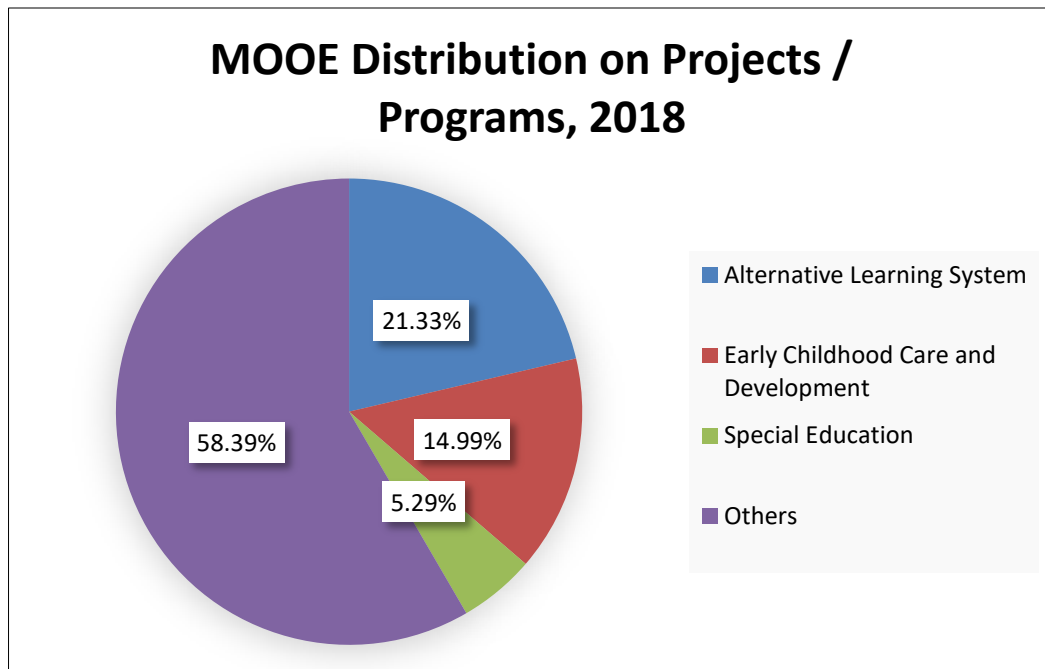
²⁰ The provision of food is always mentioned as a factor in attracting parents to attend school meetings.

²¹ Social Weather Station, <https://www.cnnphilippines.com/news/2020/9/27/SWS-involuntary-hunger-new-record-high-September-COVID.html>, September 27, 2020.

1.4. Other School Programs

Very little is left that can be spent for other school programs. The LSB had less than one million to spend for Special Education, Alternative Learning System and Early Childhood Development. Alternative Learning System received P201,248 or 21.33%; ECCD with 15% or P141,600, and Special Education, a measly P50,000. Nearly 60% of the expenses on school projects were reported as “others.” These include programs on citizenship development and youth leadership.

Figure 18. MOOE Allocation on Projects and Programs, 2018



2. Investments on Capital Outlays

The budget for capital outlays went mostly for school building construction (56.48%). That is equal to P1.84 billion. Thanks to the SEF, some 1,836²² new classrooms were built for children by local governments. But it filled a big void considering that only 11 out of the planned 47,000 classrooms were completed in 2018 due to delays in contract awarding and the slash in the DepEd budget to accommodate funding for free tertiary education.²³

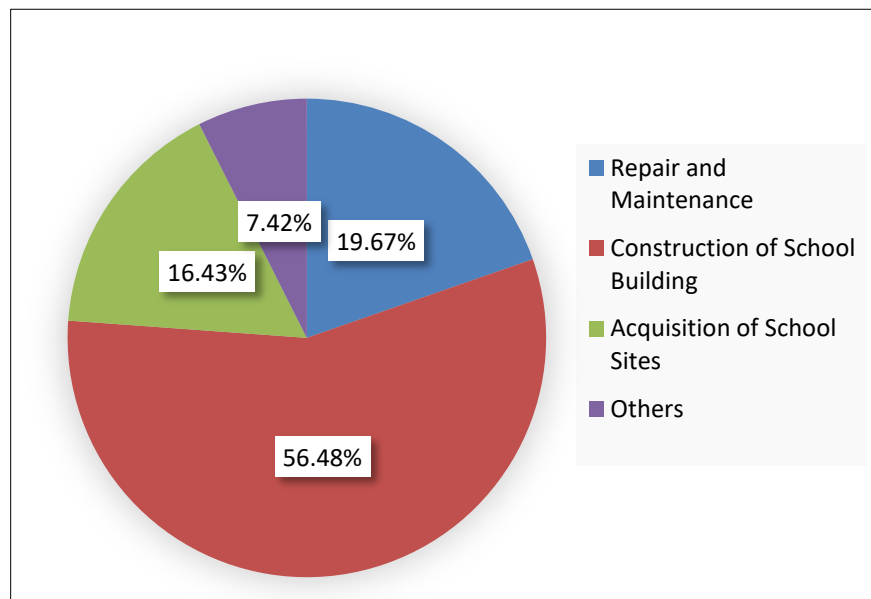
²² The estimate used for a classroom construction was P1.0 to P1.5 million).

²³ Budget hearing of the Department of Education, September 30, 2019, <https://cnnphilippines.com/news/2019/9/3/DepEd-school-buildings-budget-cut.html>

The other major expenditure that took 16.43% of the SEF budget for capital outlays was the acquisition of school sites. More than one-half billion or P534 million were spent to acquire lands where schools can be built.

Nearly 20% was spent for repair and maintenance, or P639.4 million.

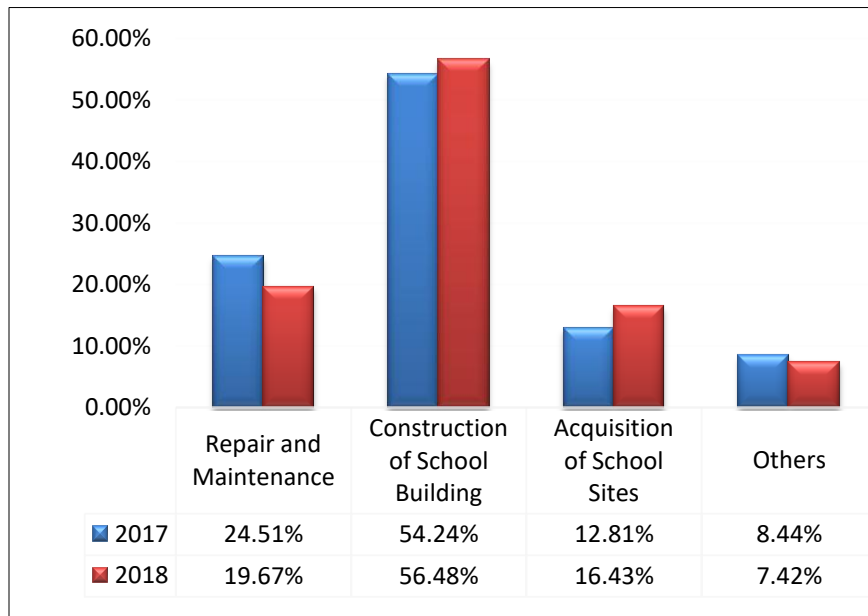
Figure 19. SEF Budget Allocation for Capital Outlays, 2018



Expenditures that were reported as “others” include provision for rain harvesting, gymnasium, and access for PWDs.

The budget for capital outlays in 2017 has a similar pattern with how it was spent in 2018. It was invested on school construction, acquisition of school sites, repair and maintenance for school buildings.

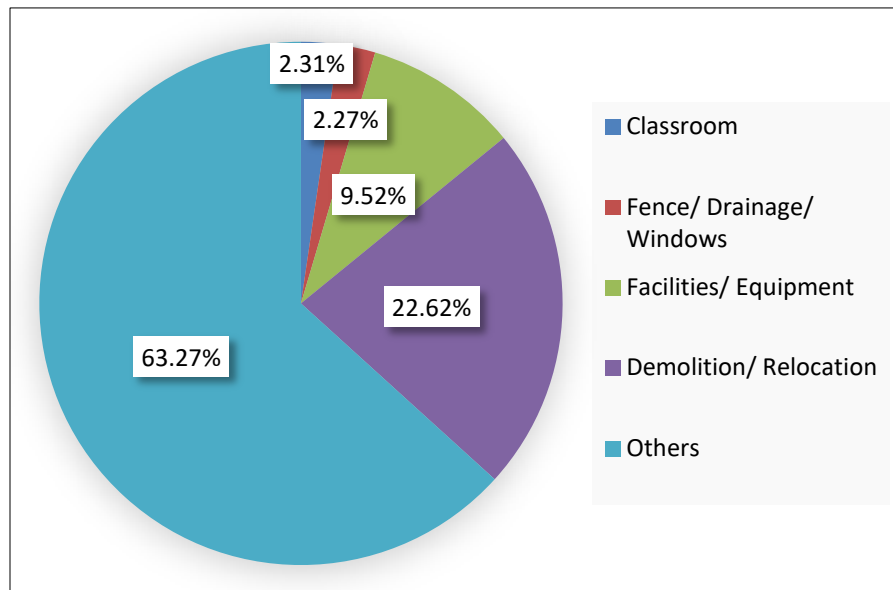
Figure 20. SEF Allocation for Capital Outlays, 2017, 2018



2.1. Repair and Maintenance

What are the components of the budget for repair and maintenance? The budget primarily went to repair of classroom and buildings. Another one-fourth went to demolition of structures to accommodate new construction and the rest was spent for fencing, and drainage.

Figure 21. Where does the Budget for Repair and Maintenance Go?



3. Personnel Services

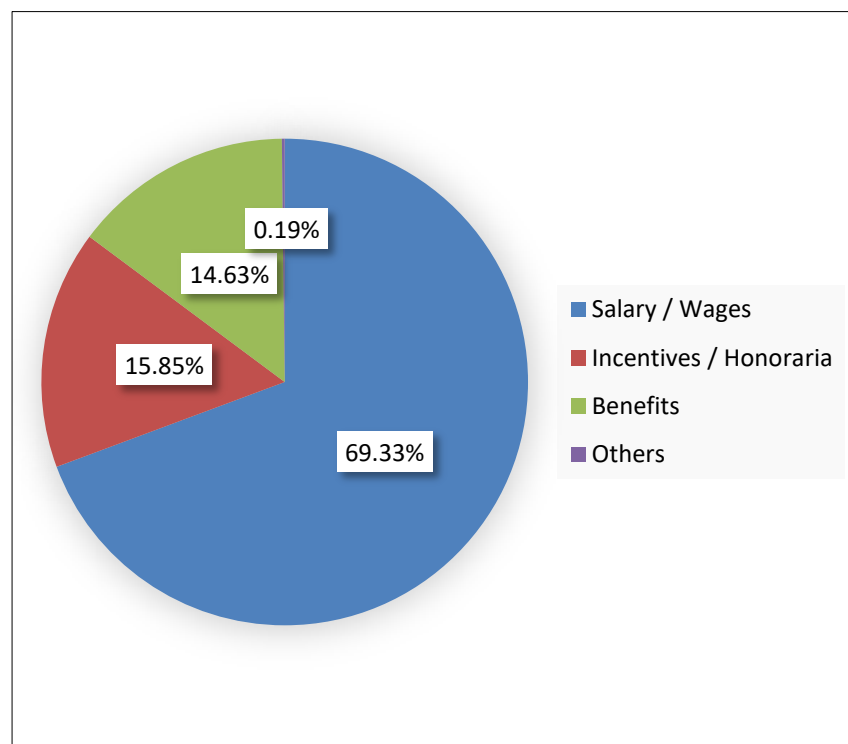
LSBs spent P2.5 billion for personnel services, or 7.6% of the SEF budget. Seventy percent (69.33%) or P1.75 billion went to salaries and wages; 16%, or P400 million were given in the form of incentives and honoraria; and 15% or P375 million were given as benefits of personnel.

LSBs especially in BARMM hire “volunteer teachers.” The name may be a misnomer, because volunteer teachers serve as classroom teachers. The national government has limited plantilla positions and LGUs have no alternative but to hire “volunteer teachers” lest children are not helped. They are paid very small sums; some are given P1, 500 a month. Some of them have passed the Licensure Examination for teachers. They serve because of their desire to help children. Their teaching experience can give them additional points when they apply for a regular teaching position.

LSBs in BARMM allocate a portion of their budget to subsidize “Azatids” who teach Arabic and Islamic values in schools.

The SEF finances the hiring of security guards, janitors, clerks, IT personnel and utility workers whose services are crucial to schools but their salaries are not provided for in the national budget.

Figure 22. Allocation of SEF Budget on Personnel Services



Some LGUs are able to provide additional allowances to teachers to subsidize their expenses for transport, clothing and health care. These are beyond the reach of small LGUs but they incentivize teachers for performance through simple tokens such as honoring them during teachers' day, sponsoring field trips, and R and R, and picnics in their beaches.

4. The SEF is Just Part of the Pie.

The SEF fund is not enough to finance the needs of schools and children. In smaller municipalities, their SEF collection in 2020 is relatively small:

Balindong, Lanao Del Sur: P46, 539

Omar, Sulu: P89, 000

The SEF is based on the value real properties. Thus, the SEF collection is affected by weaknesses in the administration of the real property tax. There are problems in undervaluation of real properties, but other problems are quite significant. These relate to difficulties in indentifying the owner of real properties that have been subject to land reform. Inter-generational transfer of lands has not been officially documented through titling. More importantly, taxpayers may not have a strong incentive to pay. They have yet to see a direct correlation between their taxes and the services they receive. Religious beliefs reinforce the belief that lands are a gift from Heaven and do not carry an obligation from their owners to pay "rent."

Thus, LGUs use their General Fund, to supplement the SEF. In some LGUs, the amount sourced from the General Fund is bigger than their SEF collection. In the case of Del Carmen, Surigao, the budget for education from the General Fund is ten times bigger than what the LGU collects from the SEF.

Table 3. Amount of Education Funding from the SEF and the General Fund of LGUs, 2020

LGU	SEF collection, in million pesos	Education Financing from the General Fund, in million pesos	Ratio of Education financing from the General Fund to SEF
Del Carmen, Surigao	0.822	8.24	10.02
San Gabriel, La Union	0.832	7.21	8.67
Omar, Sulu	0.09	0.67	7.59
Dalaguete, Cebu	1.2	4.8	3.99
Mangudadatu, Maguindanao	0.300	1.0	3.33
Kayapa, Nueva Vizcaya	0.337	0.570	1.69
Tuba, Benguet	7.04	11.074	1.57
Alimodian, Iloilo	1.7	2.55	1.5
Al Barka, Basilan	0.500	0.700	1.4
Al Barka, Basilan	0.50	0.70	1.4
Agoo, La Union	7.15	9.8	1.38

LGU	SEF collection, in million pesos	Education Financing from the General Fund, in million pesos	Ratio of Education financing from the General Fund to SEF
Bacnotan, La Union	1.99	2.46	1.24
Cabagan, Isabela	1.98	2.46	1.24
Solano, Nueva Vizcaya	10.72	12.99	1.25
Parang, Maguindanao	1.09	1.43	1.31
Datu Paglas, Maguindanao	0.257	0.285	1.11
Maluso, Basilan	0.66	0.72	1.08

Cagayan de Oro draws almost 500 million pesos from its General Fund which is slightly higher than its SEF collection. Balanga City funds its education big ticket items such as infrastructure projects, education summits, and “Batang Sining” from the General Fund. The General Fund finances shortfalls in central government support of the requirements of the K-12 reform.

Table 4. Financing from SEF and the General Fund of Selected Cities 2020.

Local Government	SEF Collection (in million pesos)	Education expenses funded by the General Fund
Cagayan de Oro	431.3	498.2
Valenzuela	672.1	161.0
General Santos	261.2	53.0
Navotas	125.2	39.2
Balanga	60.51	4.77

Aside from the General Fund, Navotas City taps other local sources such as the Council for the Protection of Children Fund and the Trust Fund. Some P15, 636,683.20 in 2017 and P49, 443,492.20 in 2018 were tapped to fund the scholarship programs, teachers’ trainings, kindergarten on wheels project, purchase of Navotour buses for educational tours, youth and kids’ ministry, balik eskwela bags and Navoteno family day.

Table 5. Financing Sources of Navotas City’s Education Programs, 2017-2018

Program/Activity	Amount in Pesos		Source of fund
	2017 (PhP)	2018 (PhP)	
Navotaas Scholarship Program	12,167,432.00	16,731,500.00	General Fund
Takbo ni Juan para sa Iskolar ng Bayan	840,751.16	903,895.76	General Fund
Youth and Kids Ministry and Avot John School Tour	900,000.00	900,000.00	General Fund
Accelerate: Professional Development	-	14,765,600.00	General Fund

Program/Activity	Amount in Pesos		Source of fund
	2017 (PhP)	2018 (PhP)	
Seminar for Teachers			
Ugnayan with Navotas City Teachers	-	800,000.00	General Fund
Kindergarten on Wheels (truck repairs)	-	500,000.00	General Fund
Balik Eskwela Bags	1,400,000.00	1,500,000.00	General Fund
Navotours (purchase of bus)		10,000,000.00	General Fund
Kindergarten on Wheels (supplies)	80,000.00	40,000.00	Navotas City Council for the Protection of Children (NCCPC) Fund
Pamilyang Navoteno Family Day	248,500.00	248,500.00	NCCPC Fund
Navotaas Scholarship Program	-	3,953,996.45*	Trust Fund (Navotaas Scholarship)

*accumulated amount from previous years up to 2018

The LGUs spent P18.4 billion from their General Fund for education in 2018 and P31.9 billion in 2019. Almost 60% of the LGUs budget for education was spent for MOOE. The Mayors said that the requests of schools to help them finance their utilities, and school supplies are quite incessant. Combined with the SEF, the LGUs contributed a total of P51.35 in 2018 and PP68.5 in the finance of education.

Table 6. Expenditures on Education of LGUs, 2018-2019		
	in thousand pesos	
Expenditure items	2018	2019
Personnel Services	3,495,594	4,360,977
MOOE	10,781,446	18,865,203
Capital Outlays	4,091,711	8,678,606
Total	18,368,751	31,904,786

Chapter 5

The Governance of Local School Boards

For over a decade, LSBs assumed a nonchalant role in education. LSB members were considered financiers, commencement speakers and guest of honors. Until one day, the result of the 3rd TIMMS came out where the Filipino students ranked third from the bottom. That served as a wake- up call to the Mayor of Naga City. All the while, he was told by the Superintendent that the students were the topnotchers in the region. Only then that he realized that a NAT score of 55% meant that children could only answer 5 out of 10 test questions correctly. With sadness, he exclaimed, “Topnotcher pala tayo sa pinakamababa” (We are at the top of the poor performers). That was when he started to look at the LSB that he chairs as playing a key role in upping the ante in education.

But the law, i.e. the Local Government Code, does not give the LSB enough powers. It limited the functions of the LSB and its membership. And then it dawned upon him---he could reinvent the LSB following a progressive principle. “What the law does not prohibit, it allows.” He then opened the LSB to the participation of business, NGOs, and academic institutions. And since the SEF is public fund, he was determined to make the LSB accountable for how the SEF is spent. Then Mayor Jesse Robredo introduced the concept of education governance-- LSBs should be participatory, transparent, effective and empowering.

1. Inclusive LSBs. Many years after, we find that many LSBs have taken the path that Mayor Robredo took. The LSBs that have worked with EdGE and Synergeia are no longer traditional. The LSBs have added more members to the Board. Their composition has become diverse and inclusive. Representatives of women’s group, indigenous communities and people’s organizations are now part of LSBs. And so are senior citizens and gay groups. In BARRM, representatives of the religious sector such as Imams, take part in LSB meetings. The military sits in the LSB in Piagapo, Lanao Del Sur, Diffun and Villaverde. Their views on how to ensure the safety of student are considered important. Many LSBs have followed Mayor Robredo’s practice of involving CSOs, the business sector, and representative of private schools. They contribute different perspectives and expertise to the Board. Synergeia is considered a member of LSB in Argao, Cebu and is invited in the LSB meetings in Dalaguete and Balamban. LSBs consider that the involvement of big firms in the LGU, such as a Power Plant in Kauswagan, Lanao Del Sur, heightens the probability of private investment in education.

Principals are represented in many LSBs. They are looked at as a primary resource in orienting the Board on the priorities identified in the School Improvement Plans (SIPs). Although the law limits the concerns of LSBs on elementary education, representatives of non-formal, special education, and secondary schools are considered members of the Board.

Municipal Engineers, Planning Officers, Budget Officers, and Accountants are invited to be part of the Board since many of the schools’ concerns relate to infrastructure. The Finance Team is considered de facto members because they do the budget estimates and guide the Board on budget disbursement.

The expansion of LSB membership is invariably questioned by COA Auditors. To minimize disagreements and disallowance of SEF budgets, non-traditional members are considered non-voting members. This may appear as them being treated as 2nd class citizens. It can be a major reason why at times, non-traditional members are absent from Board meetings. Nonetheless, many non-traditional members do not put a high premium on their exclusion from voting. Synergeia has always advocated that consensus building is a superior alternative to voting. Decisions are carefully made when members discuss all the angles in an issue and take time to debate the pros and cons. In contrast, voting can leave nearly one-half of an assembly dissatisfied with the outcomes.

A hybrid LSB model is maintained in the cities of Valenzuela and Navotas. Under the “modified expanded model” the Navotas’ LSB invites sectors which may be concerned with an agenda matter, such as the NGOs sector, banking sector, and religious representatives. The core group of the Valenzuela LSB is composed of those who are named by the law. But each of the components of its Education 360° Program has a working group-- i.e. feeding, literacy, ALS, sports, infrastructure, instructional materials, parenting, and teaching camp. The working groups participate in planning, convene their own meetings, and are called upon when needed during LSB meetings. The Mayor feels that their attendance to all the LSB meetings would be a waste of their time especially when the agenda does not include their concerns.

Table 6. Membership in Non-Traditional LSBs.

Additional LSB Members	Local Government Unit
Principal	Iloilo: Cabatuan, Mina, Dumangas, San Joaquin, Ajuy, Alimodan, Batad, Estancia, Lambunao, Pavia, and Concepcion. Capiz: Sapien, Mambusao, and Ivisan Cebu: Argao, Dalaguete Cities: Balanga Luzon: Bacnotan, Luna, Santol, Diadi, Diffun, Solano, Villaverde BARMM: Piagapo, Talipao, Lamitan, Maluso
Religious Sector	Iloilo: Ajuy, Batad Cebu: Agao, Dalaguete, Balamban Cities: Malabon, CDO BARMM: Upi, Parang, Paglas, Piagapo, Balindong, Lamitan, Maluso Mindanao: Kauswagan Luzon: P. Garcia (Knights of Columbus), Diffun, Villaverde
Business Sector	Iloilo: Cabatuan, Lemery Cebu: Argao, Dalaguete, Balamban Cities: Valenzuela, CDO BARMM: Upi Mindanao: Kauswagan (Power Plant) Luzon: P. Garcia
NGO/CSO/Foundations	Capiz: Sapien

Additional LSB Members	Local Government Unit
	Cities: GenSan, BARMM: Upi, Balindong, Talipao Mindanao: Siayan, Kauswagan Luzon: Luna, P.Garcia, Guiguinto, Diffun, Villaverde Cebu: Argao
Senior Citizens	Cities: Valenzuela, Malabon, BARMM: Balindong Luzon: Santol Mindanao: Siayan
Private School	Cities: GenSan, Malabon, CDO Luzon: Santol
Barangay	Mindanao: Kauswagan Luzon: Luna, P. Garcia, Diffun, Villaverde Cebu: Argao, Dalaguete, Balamban
People's organizations	Cities: Malabon (Drivers' Association, Tricycle, Gay leaders; Mindanao: Kauswagan (Farmers) BARMM: Balindong, Jolo (Women's Group) Luzon: P. Garcia (farmers); Santol (womens' group)
Secondary Schools	Cities: Gensan, Victorias
Indigenous communities	BARMM: Upi Mindanao: Siayan
PNP/AFP/BFP	BARMM: Piagapo Luzon: Diffun and Villaverde
Health Sector	BARMM: Piagapo Luzon: Agoo (Nurse, Nutrition Officer); Diffun (MHO)
ALS/ECCD	BARMM: Balindong (ALS) Luzon:, Villaverde (ALS); Guiguinto and Diffun(Day Care) Cities: GenSan
Other Local Government Offices	Visayas: Argao (Guidance Counsellor, Engineer); Dao (Accountant and Budget Officers) Cities: Balanga (Mun Administrator, and MIS); Valenzuela, CDO, BARMM: Piagapo, Luzon: Santol, Diffun (Budget Officer, Accountant), Villaverde (many local offices are represented)

But, the reinvention model has not reached all the LGUs. A survey done by the DILG on CSO participation noted that only 40% of the respondent CSOs are “highly engaged” by their LSBs. More than a quarter (33%) described their engagement as “minimal” i.e. they only attended meetings when they were invited. Nearly a quarter (27%) answered that they were “moderately engaged”, i.e. they

attend regular and special meetings when they are available. They provide to the inputs to discussions but their votes on key decisions are not counted.²⁴ It should be further noted that the DILG defines CSO membership to LSBs as those defined in the law. These are representatives of parents and non-academic personnel.

Even in the EdGE alliance, there are LSBs that have not been reinvented: Bacolod, La Carlota, and in the municipalities of San Enrique, Guimbal, and Balasan in Iloilo.

2. Getting into the Act. It is no longer a supporting role for LSBs. Majority of the respondent LSBs have taken a major billing in staging education programs. They now share the starring role with DepEd. Mayor Rex Gatchalian of Valenzuela City says that they have taken the drivers' seat in shaping the future of their children.

Valenzuela's LSB meets more than 24 times a year, i.e. twice a month. In addition, the Mayor hosts dinners with LSB members to discuss special projects and concerns. The meetings that are all chaired by the Mayor are held for planning, budgeting, monitoring, and evaluation.

It is not just in Valenzuela City, but almost all of the LSBs of the EdGE alliance are not just planners, and financiers. They have assumed various roles. The Local Chief Executives are not only resource mobilizers for education, but they are the prime movers of education programs, that do not receive sufficient resources from the central government, or are not part of the curriculum. They have become "Education Mayors and Governors". LSBs meet regularly; quarterly and the others, monthly; in the case of some like Argao, Cebu and Bacnotan, La Union, even fortnightly. They conduct education summits not just for consultations, but to report on the progress that children have made, and how the SEF has been spent. Then, it is listening time—what programs can communities undertake so that more and more children can go to school and learn well.

Education summits are opportunities for bonding and fellowship—for community members to know their LGU officials and vice versa. Then Governor Miguel Dominguez of Sarangani province ferried residents who lived in the mountains using army trucks. They slept in the provincial gymnasium and were served food by their new-found friends from the "lowland". The gymnasium was filled to the raft. The Governor "shocked" them into a realization that their children will never have a good future if they can only answer 3 out of 10 questions in Reading and in Mathematics. Then, his constituents lined up and handed him a card of commitment---simple acts that they will do for their children, like sending them to school with a good breakfast, attending school activities, and practicing birth control. It was nearly 3:00 P.M. when the summit finished. It presaged a good beginning to a program that attained outstanding outcomes.

²⁴ Department of Interior and Local Governments, "Capacity Development Program for CSOs in LSBs, Survey on Training Methods", Preliminary results as of April 5, 2021

The summit is a time for celebration. The Mayor of North Upi, Maguindanao, Ramon Piang, felt nostalgic as he recalled how the USAID's education program called DIWA, was launched in 2006 in the townhall. The town was in a celebratory mood as the Mayor compared how Upi, its children, and its people have progressed since then. From using manila paper in 2006, the Mayor in 2019 was now aided by a Powerpoint presentation and a newly-installed sound system in the town's multi-purpose function hall. He gratefully acknowledged that education was a prime mover in the town's progress.

The LSB of Paglas, Maguindanao takes planning a step further by making the SGCs participate in LSB meetings. Every barangay takes turns in hosting Joint LSB-SGC meetings. These are perfect occasions for schools to share their best practices and report their progress in reducing dropouts and improving reading competencies. The meetings end happily with the LSB approving a subsidy to SGCs projects that bring the reading competencies of students up to speed.²⁵

2.1. Leading Major Learning Programs. The LSB of CDO is one step ahead of the DepEd. CDO had prepared for the K-12 program even before it was implemented. The city went big on school construction with 701 new classrooms.²⁶ CDO was equally strong on capacity building. It partnered with several organizations to support the training of parents, teachers, barangay leaders, and School Governing Councils.

The LSB of General Santos is not far behind. It embarked on a feeding program with Jollibee Foundation with a 1:2 counterparting. The city doubles every central kitchen that is donated by Jollibee. The city partners with Synergeia through the EdGE program in developing the capacities of parents and SGCs. The LSB renders significant support to Alternative Learning program not just through the hiring of Instructional Managers, but through the development of instructional materials, and the promotion of ALS in marginalized communities including the prisoners in city jail. The Navotas LSB has been recognized for its pioneering programs in education.²⁷ It runs a mobile school for kindergarten that reaches out to children of informal settlers. A values-education program enriches the curriculum and a family day called "Fun-tastic" is regularly held by the city to develop stronger ties with parents and encourage them to take an active part in school activities.

Valenzuela has put all its education programs into a system to ensure that they are holistic, systemic, community-driven and student centric.²⁸ The system has the following components:

- Facilities' build-up that provided students with 364 additional classrooms from 2004-2016;

²⁵ Annex is a sample of the minutes of the Joint-Session of the LSB of Paglas with the SGCs on March 7, 2018 at M. Adil Elementary School.

²⁶ "CDOs' Classrooms not overpriced-COA", <https://www.pna.gov.ph/articles/1061838>

²⁷ Navotas' Education Program was chosen as one of the ten Outstanding Programs in Local Governance by the Galing Pook Foundation,

²⁸ Valenzuela's Education program was awarded as an Outstanding Program in Local Governance by the Galing Pook Foundation.

- Nanay-Tatay Teachers' program to engage parents in the learning process of their children;²⁹
- Teaching camp to strengthen teaching competencies of 1,163 elementary school teachers;
- Reading camp that brought down non-readers to zero among primary students;
- Massive K-6 feeding program that is run by parent-volunteers;
- Special Education Center that provides occupational, physical and speech therapy for special children;
- Alternative Learning system; and
- Values-development through a Baseball and Soccer Program.

3. A Small Department of Education. Two LGUs have organized an office dedicated to coordinating and, many times, initiating education programs. Then Balanga Mayor Jose Enrique "Joet" Garcia III thought it was a good idea to open an office in the LGU that was solely dedicated to the city's education programs. In 2007, the City Education Excellence and Development Office (CEEDO) was established. CEEDO allows the centralization of data collection, planning and management of education programs at all levels – from daycare to tertiary level. It is tasked to design a Roadmap for to enable Balanga City to be "World Class University Town."

A similar office was created in Quezon City in 2018. It started its work by convening an education summit to solicit suggestions from representatives of major holders to strengthen the delivery of instruction in reading, science and math, and to strengthen partnerships between the city government and its stakeholders. The Office validates requests of schools for projects like the construction of buildings and facilities.

Other LGUs like General Santos City, Navotas City, and Paglas, Maguindanao do not have education units. But they have a point-person with a small staff who is responsible for coordinating education programs. As discussed later in the chapter, General Santos city government created a Technical Working Group (TWG) through Executive Order No. 58 series of 2017 to ensure that SEF budgets are crafted with inclusive participation of stakeholders.

4. Measurement of Performance. LSBs have discovered the power of data. They are now well-versed in discussing participation and cohort survival rates---terms which only school officials understood before. Mayors can cite the percentage of the student population who are frustrated readers. Their appreciation of performance indicators augurs well for budgets that are crafted to improve performance. The remedial reading programs that they have organized stand as a proof that software development, i.e., capacity building is now within the LSBs' radar. The use of data has allowed them to become more strategic in planning. Valenzuela City, and San Gabriel, a mountainous municipality in Northern Luzon are good examples of their LSB using data all the time: in setting targets, planning activities, evaluating performance, and giving incentives. Targets on performance, i.e. cohort

²⁹ 97% of the parents participate in the program

survival rate, completion rate, promotion rate, dropout rate, and NAT results, are suggested by the DepEd, but more often than not, the Mayor challenges the LSB to aim beyond the targets.

All the LSBs rely on the Superintendents and District Supervisors to present performance data, including results of PhilIRI. But other LSBs, such as Valenzuela City, Agoo, la Union and Argao, Cebu top school assessments with their own. In addition to DepEd's prescribed test, LSBs undertake a performance assessment. Pre-and post-tests measure progress of children in Valenzuela's reading camps. Children assess if the concepts that their parents learn in parenting sessions are actually practiced at home. Journals are kept by teachers, students, and volunteers to enable them to reflect on their learning experiences. Mayor Gatchalian says it well, "LSBs are perfect vehicles for enhancing and adding programs to the curriculum. "Crafting education programs should be a monopoly of DepEd".

5. Incentivizing Performance. The LSB of Valenzuela City revved up the concept and use of performance incentive. It has introduced incentive packages for parents, teachers, volunteers, and students attending the summer reading camp. An incentive package awaits schools with the best performance in the summer reading camp. In addition, the incentive system covers the following programs:

- Schools with 100% attendance in their parenting workshops are given a generous incentive package. Every school is eager to get a package of air conditioner, TV sets, and photocopying machines. Teachers, children and PTA officers influence parents to attend parenting workshops. And every year, the package gets to be grander.
- Schools with major reduction in the number of frustrated readers get an incentive package as well. The Mayor compares the performance of every school every year. Schools which show the biggest reduction in the number of frustrated readers get a prize. Schools with the highest average in the post-test get a prize as well.
- Every teacher who "volunteers" his/her services for the summer reading camp get a P10, 000 honorarium plus service credits.
- Children get a sticker for their attendance to the Summer Camp every day. These stickers are pasted on a booklet. Those with booklets with a complete set of stickers get to bring their entire family to Jollibee.
- Volunteers get a free treat to the National Museum and lunch at an "eat all you can" restaurant".
- Winners in the Little Sport League a day in Kidszania.

Argao provides a system to incentivize schools to improve instruction. Schools whose students attain high performance marks are recognized in the education summit as "Doers of Change" and are given cash prizes. In 2018, two schools received the Platinum Award with a cash prize of P75, 000, 13 schools secured the Gold Award and a cash prize of P50, 000. The other seven school semi-finalists received P10,000 each.

6. Budgeting the SEF. We were pleasantly surprised that SEF budgeting is not as informal and discretionary as it used to be. Years ago, complaints had been raised regarding inefficiencies and even corruption in the SEF disbursements. Lately, complaints have been on unauthorized disbursements primarily due to the lack of a common interpretation of the DILG-DepEd- DBM Joint Circular 1 2017. For example, expenses on water and electricity that were disallowed by COA ³⁰ in Angeles City are in fact allowed under the Joint Circular.

We credit institutional improvements in the planning system of the local governments. Local governments have finally developed the discipline required in formulating their Local Development Plan (LDP). All their LDPs provide for a chapter on education. It cites their vision for education and the programs that they plan to undertake. The LDP is translated into Projects, Plans, and Activities (PPA) that are listed in their Annual Investment Plans (AIP).

The AIP³¹ requires LGUs to identify projects that will be undertaken for the year, the timeline for project completion, the project costs and the source of funding. The targets are set in outputs and not in outcomes, e.g. additional facilities that will be built and printing equipment to be procured. There are attempts, in the case of Paglas, to identify the results from a project, e.g. better health for pupils. But, there are no quantitative indicators and no baseline numbers.

There are LGUS with an Education Plan such as Navotas City. It has a 14-point Education Development Plan for 2017-2022. The plan concretizes and puts into words the vision of the Mayor for the city. There are 14 priority objectives to attain accessible, quality and liberating basic education in Navotas: 1) achieve zero drop-out rate, 2) improve performance levels in the NAT, 3) achieve 100% promotion rate, 4) increase basic literacy levels from instructional to functional, 5) eradicate malnutrition status of identified wasted and severely wasted learners, 6) ensure commitment to child-friendly school system policy, 7) intensify efforts to provide educational opportunities for OSC and OSYs, 8) ensure that all schools are properly managed using SBM (school based management) principles and tools, 9) promote adoption of single shift scheme, 10) promote training and professional development of all personnel, 11) making PTAs and SGCs more functional, 12) strengthening stakeholders participation and linkage building to support education programs, 13) improve ICT capability and research development, and 14) school performances are measured and recognized. The plan is cascaded to all the schools and School Improvement Plans must be formulated to achieve these 14 priority objectives. In the early stages of SEF budget formulation when school principals and the Division Office meet to identify and prioritize proposals, their bible is the Education Development Plan. When the Division Office puts together the proposed annual SEF budget for the LSB's review, the Mayor expects this to be aligned to his education vision for Navotas.

The LSB of Balanga City goes one step further. It closely coordinates with the City Administrator and the City Planning and Development Office to ensure that LSB plans are incorporated into the City Development Plan (CDP).

³⁰ <https://www.rappler.com/nation/139790-angeles-mayor-new-rules-sef-use>

³¹ Annex B is a sample of an AIP

7. Output Orientation. LSBs tend to look at outputs, i.e. how many school desks and computers will be procured, and how many school buildings will be constructed. They have yet to develop the discipline of translating the outputs and activities into results and learning outcomes. We have noted that in some instances like in Navotas City, there is an attempt to set performance targets, such as zero drop-out rate, improve performance levels in the NAT, and achieve 100% promotion rate. But the goals are not translated into numbers and timelines. Annual targets on learning outcomes are not defined.

Initial strides have been made by other LGUs, e.g. North Upi, Dumangas, San Enrique, and General Santos, to set performance indicators. North Upi sets a 2 percentage point increase in performance indicators every year. But the common practice is to measure budget efficiency by relating completed projects with how much was appropriated.

8. The Use of School Improvement Plans. LSBs rely heavily on supervisors/superintendents to recommend projects that need to be prioritized. They assure us that they consult with principals on their School Improvement Plans. But we have yet to obtain details on how a consensus is built on what projects should be prioritized. What are the criteria used and do principals go through a process of ranking the projects? In North Upi, programs for grades 2 and 3 children in remote areas are first in the list.

The Mayor of Dumangas cites that the LSB finds the process of setting priorities a major challenge since there are two DepEd districts in his municipality. Do they practice taking turns, do they use a scorecard, do they have a point system, or it is a give and take process? The Mayor explains that he is forced to find funding for projects other than the SEF if the proponent does not want to give way or cannot appreciate that the SEF fund is not adequate to fund all the proposals.

Except for General Santos and Bacnotan, La Union, the study notes that there is no system in place to check if the budgeted programs are consistent with the School Improvement Plans (SIPs). It is dependent on the initiative of LSB members to ask why the needs of certain schools have not been considered in the budget.

A notable practice in Bacnotan is a system of prioritization. Principals list the priority programs in their schools. The, as a group, the principals rank the listed programs according to “need”. The safety of children would always be a top priority. In 2018, the principals prioritized the construction of senior high schools. The SIPs are submitted to the LGU. The Municipal Budget Officer and the Municipal Planning and Development Coordinator consolidate the SIPs and estimate the costs for the priority programs.

In General Santos, the task of fine-tuning all the proposals for funding falls on the Technical Working Group (TWG) that was created by the city government of General Santos through Executive Order No. 58 series of 2017. The TWG makes a thorough review of the budget of the DepEd from the central government to ensure that expenditures of the LGU and those funded by the GAA do not overlap. It is the task of the TWG to organize organizes proposals and inputs from the School Improvement Plan into a budget for consideration of the Board. The TWG goes through several strategic planning sessions with stakeholders to evaluate performance of schools and children using data on participation, retention, and

achievement. The LSB also looks at social indicators such as health. The TWG is chaired by the Mayor's Executive Assistant for Education and its members include representatives from the DepEd, Planning and Development Office, City Accountant, Social Welfare and Development General Services and NGO.

The LSB of GenSan goes through animated discussions. The members have a mandate from the Mayor to formulate a performance budget where all expenditures result into positive learning outcomes. One proposal that elicited a healthy debate was the purchase of television sets. Without an accompanying learning program, the LSB found it difficult to appreciate how the equipment can bring about better learning performance.

9. Budget Deliberations. In most cases, the budget deliberations are relatively smooth and is approved without much debate. The Malabon City LSB informed that the questions raised are generally clarificatory, e.g. whether the projects will pass COA scrutiny. There were only two instances in Valenzuela City where the LSB had a prolonged discussion: the setting of targets, and a proposed research fund for non-academic personnel. Since the COA does not allow funding for the latter, the LSB suggested that the proposal be presented to COA for resolution.³²

Almost all of the respondent-LSBs follow the budget calendar of the LGU. But we found the LSB budget calendar of General Santos participatory and systematic:

- January is devoted to analyzing how education can contribute to the total development of the city, and evaluating how the education sector performed in the past year.
- February is for prioritizing PPAs and consulting stakeholders.
- March is dedicated to the quantification of PPA into budgets and costs resulting into the formulation of the Annual investment Plan (AIP).
- A budget call is made in June and the LSB conducts budget deliberations.

Although the LSB budget is not submitted to the Local Sanggunian for legislation, Gen San's LSB submits it nonetheless so that the budget of the city government is appreciated as a whole. Transparency is promoted and local leaders and residents get a comprehensive view of local public finance.

SEF budgeting involves many offices in the local governments. The Treasurer estimates how much revenues are available for spending. The rule of the thumb is to base the estimate on how much was collected last year plus a 10% increase. In many cases, the Treasurer and the Budget Officer organize all the proposals into a budget document. The City/Municipal Engineer prepares the program of work for infrastructure projects. The Budget Officer gives a briefing to school officials and LSB members on the

³² The COA allowed the reclassification of the expense as research honorarium as long as payments are supported by research outputs.

budgeting and disbursement processes. The Bids and Awards Committee (BAC) conducts bidding and award of projects that are values for more than one million pesos. The city of GenSan is an exception once more. A separate Bids and Awards Committee has been created for speedy and efficient procurement of SEF and Disaster Risk Reduction and Management projects³³. Despite this, the LSB notes that hierarchical procedures can impede speedy procurement. Under the Procurement Law, many of the needed supplies and equipment have to be centrally purchased. This creates some time lags and activities cannot be undertaken as scheduled.

10. Supplemental Budgets. We noted several cases of supplemental budgets. The respondents explain that they are drawn in cases where actual SEF collection goes beyond the estimates. Normally, this is due to conservatism of treasurers and the traditional way of revenue estimation. Supplemental budgets are also drawn to meet emergency, unanticipated conditions, e.g. devastation from a natural calamity; when funds are under-utilized; or when priorities change. While there are situations that necessitate the enactment of supplemental budgets, it has its own disadvantages. It is almost like doing incremental budgeting. The process undermines the ability of the LSB to have a comprehensive view of the expenditure program and limits its ability to see how the programs fit into a development strategy. Cases of supplemental budgets are illustrated in four (4) supplemental budgets that were drawn during the year by an LSB:³⁴

- **March 31, 2017** – approval of LSB Supplemental Budget No. 1, s. 2017 which reverted certain appropriations under the approved SEF budget and re-appropriated for programs that are allowed under the Joint Circular of DBM, DILG and DepEd.
- **August 8, 2017** - approval of LSB/SEF Supplemental Budget No. 2 to cover expenses for drainage, electrical services and other infrastructure needs of schools; proposed renaming of 3 schools, ability of parents who availed of the SHS vouchers to sustain their children’s education, conduct of lectures on solid waste management in all schools by the city environment office.
- **October 12, 2017** – approval of LSB Supplemental Budget No. 3 on realigning the budget for IT equipment for the purchase of a scanner to support data capture, scoring and analysis of testing process.
- **October 26, 2017** – approval of LSB Supplemental Budget No. 4.

11. Innovations in Budgeting. The practice of Bottom-up Budgeting in Valenzuela deserves to be highlighted. It is an innovation that promotes empowerment and participation. It recognizes the importance of SGCs in the delivery of education. Every year, a portion of the SEF is earmarked for financing SGC proposals. A fixed amount is given to every SGC. Every SGC develops a proposal and “defends” it before a General SGC Assembly. The top ten proposals that are ranked by the Assembly are given a premium. Ranking is based on three criteria: impact on learning, sustainability, and contribution from the community. For greater fairness, schools are classified according to size: Large, medium, and Small. Proposals that are ranked from 1 to 8 within each cluster, get an added premium.

³³. The creation of a special BAC under EO no. 4 in January 2019 is allowed under RA 9184. ³³

³⁴ The LSB is not identified for privacy purposes.

A semblance of decentralization is noted in how Balanga City LSB budgets the SEF. The budget estimates of some programs are prepared by different sectors. The budget for PTA activities is prepared by the PTA. The proposal for the Test Paper Fund is prepared by the DepEd's Testing Coordinator. For the Sports Fund, the DepEd's Sports Coordinator prepares the proposal for the sports program.

12. Monitoring and Evaluation. Efficiency of budget execution is evaluated by comparing actual with programmed disbursements. The process is done by a group that involves the Offices of the Engineer, Accounting, Budget, and Planning.

13. Generating More Resources for Education. There is no better way of enhancing tax compliance than demonstrating to the community where their money goes. LGUs have employed different strategies to enable their residents to appreciate that their money goes back to them in terms of improved services.

Paglas, Parang, and Buldon, all in Maguindanao conduct barangay and school visitations. A complete staff complement accompanies the Mayor to conduct workshops which they describe as using the Synergeia style. Department heads conduct a two-way dialogue to present the programs which their offices provide and listen to the problems and suggestions of the residents. Services are provided on site such as health, issuance of birth certificates and permits.

The program in Buldon is called the "Buldon Integrative Developmental Activities (BIDA)". The LGU and its officials visit the different barangays on a monthly basis to do consultative meetings and deliver services. The BIDA provides a perfect venue for their tax awareness campaign. With the slogan, "Magbayad ng buwis para sa edukasyon", they persuade residents to realize that paying their taxes fund programs that help their children to learn and complete their education. The LGU took steps to address the problem of land titling. A task Force was organized to resolve the discrepancies in land titles. They also coordinated with the Department of Environment and Natural Resources (DENR) to facilitate the process for land titling.

Upi makes use of its local radio station to conduct a tax campaign. Children are featured in programs where they urge their parents to pay the land tax so that their schools can be helped. Upi launched an incentive program where tax receipts are raffled off with motorcycles as prizes.

Cities embark on ambitious projects to generate more real property taxes. Valenzuela has fully computerized tax assessment and payment. The system is so advanced that taxes can be paid on-line or through mobile phones. But Mayor Gatchalian reminds LGUs that computerization is just a tool. It can only be successful if processes such as records management, valuation, and assessment are streamlined and simplified.

A major step in generating more land taxes is updating property values. Mayor John Rey Tiangco of Navotas bit the bullet by updating the market values of real properties which have not been adjusted for 26 years. To stave off the political repercussion, the Mayor implemented the increase only on commercial and industrial properties which made up 5% of property units but contributed the major chunk of revenues. The tax increase was spread over a 3-year period. A real property tax amnesty on tax delinquencies was launched. The Mayor said that this program was unexpectedly successful. They held business forums to explain the tax measure. They campaigned in schools to get the education community and the parents' support. When they explain to taxpayers that the additional revenues that will be raised will be used for education, "lumalambot sila (they give in)."

Transparency pays off for Navotas. Mayor Tiangco used the taxpayers' forum organized by the Business Permits and Licensing Office to report on tax collections and on education programs that are funded from the city's tax collections. A Transparency Board is put up near the ground floor elevators for constituents to see how the SEF is utilized.

14. Challenges and Moving Forward. The study noted sterling examples of how LCEs and their LSBs introduced innovations to transform their LSBs and utilize the SEF to provide children with better education. The leadership of LCEs is vital in ensuring that SEF budgeting is participatory, systemic and transparent. Towards this goal, the LSBs identified major challenges that need to be addressed:

- a. More robust collection of the real property tax through regular valuation of real properties and simplifying the processes of assessment and tax payment.
- b. Standardizing COA regulations on the audit of SEF. Currently, the interpretation of regulations differs from one auditor to another.
- c. Passage of the Senate Bill that broadens membership and functions of the LSB and providing them with greater autonomy.
- d. Capacity building on performance budgeting and linking expenditures to learning outcomes.
- e. Capacity building of LSBs on evaluating results from education expenditures using ROIs, e.g. learning outcomes.
- f. Provision of the LSBs with information on MOOE school budgets for a more efficient SEF budgeting.
- g. An organized process for prioritizing SIP programs of different schools which should be funded by the SEF

Case Studies

The Transformative Power of Community

A Case Study on Balindong, Lanao del Sur

I first took notice of Kuya Udalay in the education summit held in the Municipality of Balindong, Lanao De Sur last February 19, 2020. What struck me about him was the shirt he was wearing. The shirt had the following words imprinted on them, *“Synergeia 1st education summit 2011 - Balindong”*. Those printed words prompted me to talk to him and ask him what changes he has seen in the community for the past nine years.

Being an Ustadz, himself, he admitted that in the beginning, he never really gave due importance to his role in the education of the children of the community. However, all that changed when he was asked to participate in the first ever education summit held in his community. Since then he has become an active member of the School Governing Council.

Kuya has only fond memories of the first ever summit he attended. He recalls that first summit opened for him the sad reality of the state of education in their province. Out of 10 students, 3 were non readers and 5 were instructional readers, leaving only two students as independent readers. Things have definitely improved with each passing year. The latest reading data of the municipality has shown that out of ten students, only one remains a non-reader, 3 are instructional readers, while the rest have become independent readers.

The importance given to the involvement of the community has been one of the strong points in the education reform program of Balindong. The membership of the Local School Board has been duly expanded by including representatives from the religious groups, senior citizens, members of civil society groups and people’s organizations. Their inputs are valuable sources for the strategic priorities and actions of the LGU. However, community participation in planning processes would remain in the planning stage, if it is not backed up by a good system of financial support.

The Local School Board of Balindong has embarked on an aggressive tax campaign across the whole municipality. It has taken pains to explain to the members the importance of paying real property taxes in support of the education fund. In fact, in the education summit that I attended, almost an hour was devoted in explaining the whole rationale of real property taxes and its relationship with the education sector. Community participation and a program to increase tax collection have indeed done wonders for the children of Balindong.

Among the most notable fruits of such an approach have been the following:

- Teachers have been trained to do a remedial reading program for their students.

- Volunteer teachers have started receiving a monthly allowance in recognition of their valuable services.
- Class valedictorians have received an additional stipend to support their studies.
- Every teacher have e received a teaching kit.
- Classrooms have been refurbished and rebuilt.
- National and regional education activities have been sponsored and thus allowing many of the children of the municipality to attend.

There is still a lot to do. Members of the local school board continue to find ways to improve the performance of their learners. Among the projects lined — up is the planned setting up of CCTV's at each of the entrance of the school premises of the municipality. This is in answer to the growing concern of students' safety.

Nine years have passed since the first ever summit in Balindong. Kuya was one of its participants and recalls that there were less than a hundred attendees. But in the morning of February 19, 2020, as we were speaking, people just kept streaming at the hall where the summit was to take place. In the end, more than 300 attended.

Communities can truly transform education. And for Kuya Udalay, the past nine years have been worth the journey.

Weapons in Exchange for Peace and Progress

The PFM-SEF Case Story of Buldon, Maguindanao

Just like other towns in Maguindanao, Buldon struggled in generating enough funds for the LGU's Real Property Tax (RPT) collection. As a result, they only generate a minimal amount for the Special Education Fund (SEF) which was not enough to support a responsive education program. Mayor Abolais Manalao faced the challenge head on and dove deep into the details related to this problem.

Buldon is a 4th class municipality with agriculture as its main industry. But it was also known to be an MNLF community thus; the area was caught between the armed conflict between the group and the military. Aside from that, family feuds or rido also plagued the town which forced most residents to arm themselves for self-defense. After his assessment, Mayor Manalao concluded that a volatile environment does not encourage people to pay their dues to the local government. Local businesses would not also thrive with the war and rido going on. People fear for their safety and felt there would be no one to protect them. Mayor Manalao was convinced that prioritizing peace and security in his community could give way to progress he dreams for Buldon.

Programs initiated by the military were sources of inspiration for Mayor Manalao. He saw that these could support his intention of building a strong LGU presence in the community that would pave the way for a peaceful and secured environment. He first launched the Balik-Baril Program which was in support of the military's loose firearms campaign in Maguindanao, residents who turned over their guns were given support for their livelihood. Then, the LGU created alternative dispute resolution teams to manage the ongoing family feuds in the community. Moreover, Mayor Manalao entered into an agreement with the ulama or Muslim religious leaders to engage them in peace efforts. They declared a fatwa that any support for the extremist groups is not supported by Islam. Buldon continues to work with the police and military to maintain the peace within the community. They now can turn their efforts in engineering progress.

By 2016, Mayor Manalao started the Buldon Integrative Developmental Activities (BIDA) that aims to make the LGU closer to the people. This monthly mobile session brings the different departments in the barangays to perform services and disseminate information about the programs. It is also an opportunity for the local officials to continually assess the situation of the residents and learn about their concerns and needs. In addition, BIDA is a perfect venue for their tax awareness campaign. Through their slogan, "Magbayad ng buwis para sa edukasyon", they persuaded residents that paying their taxes directly goes to programs that help their children learn and complete their education. In fact, the LGU was also able to conduct a stakeholders meeting with the MNLF that encourages them to pay their taxes. Through BIDA, it restored the trust and confidence of the people to the government.

The LGU continued to strengthen its governance processes and mechanisms as well. To increase their tax collection, they sought to resolve the discrepancies in landowners and land titles. A task force was organized to address the issues of the land owners. They also coordinated with the Department of

Environment and Natural Resources (DENR) to facilitate the process for land titling. At the same time, the LGU updated the valuation of properties in Buldon. Then, the LGU conducted an intensive tax information campaign which includes assembly meetings with land owners to inform them about the assessment notice and the tax mapping. Social media was also instrumental in getting the information to the community. The SB secretary and MIO update the LGU's Facebook page regularly which is their means to connect with the people. Mayor Manalao made sure that their efforts paid off. The collected revenues 2019 increased therefore giving more budget to the SEF.

The priority programs allocated in the SEF are decided by Buldon's Local School Board (LSB). They meet quarterly to discuss updates and issues pertaining to education at the community level. However, whenever the need arises, Mayor Manalao calls in additional meetings to resolve any urgent matters. The current composition of their LSB has the majority of sectors well-represented. But they intend to further expand it to invite representatives from the business, religious and women's groups through an issuance of an executive order. Through a diverse LSB, they were able to directly address the needs of the learners through the projects forwarded by the schools. They usually expect to receive the School Improvement Plans (SIPs) from 27 public elementary schools in Buldon. In the course of their deliberations, having disagreements is just normal. As LSB chair, Mayor Manalao ensures that all sides will be heard. At the end of the day, he will lead them in coming up with the priority projects to be included in their action plan. In addition to school projects, the LSB is also involved in the LGU's tax campaign activities and act as the monitoring and evaluation team.

As peace and security ensues, investors start to come in. The company, Uni Frutti, established a banana plantation which greatly contributed to Buldon's income. But due to the drought, harvest decreased so it is expected that their tax payment will be lower in 2019. There was also a plant virus that affected the crops. Another company, Ichnet, started a cacao plantation in Brgy. Kareem. They have already trained 20 farmers to work with them.

The SEF might have been bigger, but it is still not enough to support Buldon's priority programs. Even the MOOE given by ARMM before which is P7, 500.00 monthly for selected schools were not able to cover for the learning needs of the students. They hoped that the new BARMM administration would make good of their promise to provide a special development fund for those areas that were adversely affected by the armed conflict between the government and MNLF. On its own, the LGU was able to have a separate support fund for education amounting to P3, 000,000.00. They also requested the barangays to pay for the schools utilities such as water and electricity as their counterpart. Despite the difficulties to get more funds, Buldon was able to mobilize resources to continue championing their education programs.

A Different Kind of Parenting

A Case Study of the Datu Paglas LSB

When Datu Paglas was included in the education program of Synergeia in ARMM, Mayor Abubakar “Toy” Paglas initiated a program where the LGU visits all the 23 barangays in Datu Paglas to consult them on how they can work together to address problems and issues in education. They called it **Parenting** program because according to the mayor, he is the father of the LGU.



When Mayor Paglas returned to office last 2016, he revived the program but with a different approach. Instead of visiting the barangays, the LSB together with the different departments of the LGU visited all the schools to conduct the Synergeia-style workshop with all the stakeholders of the school including the SGC leaders and members. Last year, the LGU/LSB conducted workshops in all the 27 public schools in Datu Paglas including 3 high schools. The different departments of the LGU are included in the program so that they can announce their ongoing programs and give direct assistance to the citizens. The Treasurer and Assessors office explain their tax campaign and enumerate the benefits that citizens get when they pay their taxes. The DSWD provides briefers on social services and benefits for senior citizens, single parents and 4Ps. The Civil Registrar on the other hand provides onsite assistance through the issuance of birth certificates to children which is a common problem in Datu Paglas and the province. The other agencies include the Engineering office for the building permits, DRRM, AFP and PNP for peace and security concerns, Health office for vaccination and nutrition and the lastly the programs of the barangay local government unit.

During the monitoring of one of their parenting workshop at Toca Madidis Central Elementary School, one of the issues raised during the workshop is the increase of absenteeism among students during the month of October. The absentees which they call Octoberians are skipping classes because they work in the banana plantations because of the harvest season. In order to address this, the mayor said that the

Taraka: A former educator leads reforms

As a former professor, Mayor Nashiba Sumagayan makes sure that education reforms are being carried out in the municipality of Taraka in Lanao del Sur province.

She often visits the schools and she regularly calls for meetings with teachers to assess not only the performance of the learners, but to monitor the performance of the educators themselves.

Sumagayan also does not rely too much on the municipality's Special Education Fund to finance the education projects of the community.

Knowing fully well the difficulty of collecting real property taxes in the region, she has learned to set aside a portion of the general fund to meet the challenges of improving the state of education in the municipality. She has also proactively looked for other sources of funds to support programs.

Key to the success of education reforms in Taraka - one of the recipients of Synergeia Foundation's Seal of Good Education Governance Award in 2018 - is an active Local School Board which meets regularly to discuss and address issues promptly.

Due to the regularity of the LSB meetings and their proactive approach to issues, they were able to distribute relief packs to all learners in the municipality during the COVID-19 crisis.

They have also begun planning on releasing printed learning and reading materials to address the concerns of parents regarding the availability of study materials for the school year.

Mobilizing Stakeholders to Champion Children's Education

The PFM-SEF Case Story of Upi, Maguindanao

Mayor Ramon Piang can easily convene the members of the Local School Board (LSB) with just a phone call within the day. He proudly says that all sectors of the community are well-represented including his wife who heads the women sectors group. Aside from the mandated membership, the expanded LSB is also composed of representatives from the indigenous people's groups, women, business, CSOs, private schools, Muslim group, madaris and PTA Federation. Most importantly, they are the voice on the ground who listens to their problems, fears and aspirations for their children. Mayor Piang, as LSB chair, welcomes these insights coming from the ground as these would be the basis for making the LSB agenda and developing responsive action plans.

The LSB meets more than its quarterly schedule. The LSB is part of the Municipal Peace and Order Council (MPOC) that meets every month. Their participation in the MPOC enables them to discuss any updates and concerns more regularly. In this manner, they are able to monitor the students' performance through several indicators. They are able to review the impact of the programs through participation and completion rates, cohort survival, and NAT results. This is a continuous process for them as they need to identify the needed interventions in order to improve the learners' performance in school.

In as much as they wanted to implement all of Upi's priority programs, the budget allotted in the Special Education Fund (SEF) is not enough. The LGU was able to collect P1,700,000.00 from its Real Property Taxes (RPT) but they were obligated to remit half of it to the provincial government. That leaves only P850,000.00 for their SEF which could only fund a small project for a school. This compels Mayor Piang to look for other sources of funds either within the LGU budget or from other stakeholders. One such example is allocating budget coming from the general funds, GAD, MOOE, among others.

The LGU sees to it that programs that will help the children learn better and complete their education should be implemented. Before, there was a high incidence of dropouts among students due to poverty, family feuds or rido and transfers of residence. The MOOE of public elementary schools in BARMM has always been insufficient because the amount received by the schools is less than the actual allocated fund. Upi initiated a financial assistance to school children that will augment their MOOE and the fund was sourced from the Mayor's own MOOE. In addition to the MOOE provided by BARMM, the LSB allocated P250.00 per pupil in elementary schools and P1,000.00 per student in high schools. As it turned out, the enrollment increased during the first year of implementing the LGU assistance.

There are other projects in the pipeline to help the schools. The LSB also receive proposals coming from principals. These requests can be in the form of school building construction which the LGU subsidizes, i.e. 20% of the cost. Other projects include remedial reading sessions, parents' training and procurement of equipment such as a Risograph machine. Mayor Piang turns to other stakeholders to pitch in.

Institutions like Children's Hour provide additional resources for the printing of workbooks to be used in schools.

To ensure that the projects are done and maintained properly, the LGU taps the community for monitoring purposes. District supervisors oversee the distribution of Brigada Eskwela materials in schools. They also identify their other needs that will support children's learning and raise them to the board. At the same time, barangay school boards are activated to provide direct support to their communities. The IP representatives regularly update their communities on LSB policies and activities. They also assist in resolving concerns on the Out-of-School-Children-and-Youth (OSCY) by doing house to house visits and convince parents to bring their children back to school. Women's groups do their share by disseminating information on the LGU's programs and projects to get more support. Upi has a local radio station where the LGU can make announcements and even broadcast meetings for the communities to know the latest updates.

Just like the other LGUs in Maguindanao, Upi has to ramped up its collection for the Real Property Tax (RPT). Mayor Piang directed the treasury and assessor departments to increase collection from land owners. What they need to do first is to settle the official land titling including those for the schools. The LGU just updated their new RPT rates in 2019 which saw a 146% increase from 2017. They also supported this by doing promotional campaigns such as raffle draws to tax payers. PTA meetings include this information dissemination in their agenda. Moreover, collectors go around the communities to remind them about tax dues aside from the doing tax mapping duties.

The Power of Love...for Navoteno Children

John Rey Tiangco was once president of a School Governing Council before he ran for Mayor of Navotas City. This experience led him to prioritize education once he sat in the city hall. Fast forward to one bright June morning in 2019, a week before he assumed his new elective post of Congressman, then Mayor Tiangco formally received the second Seal of Good Education Governance award for Navotas City. It was a well-deserved recognition, twice over, for the many efforts of the city to improve the delivery of education to the Navoteno children. Mayor John Rey Tiangco said he was able to surmount the many challenges because education of the Navoteno children is dear to his heart.

The Mayor's vision for education has been the guiding light. Mayor Tiangco's dream is for all children in Navotas to be able to go to school, and if they cannot go to formal schooling, that there should be catchment programs for them like ALS and Kindergarten-on-wheels. He even hopes all students would be able to graduate from college.

Schools Division Superintendent Dr. Meliton Zurbano translated this vision into a 14-point Education Development Plan for 2017-2022. The plan concretizes and puts into words the vision of the Mayor. There are 14 priority objectives to attain accessible, quality and liberating basic education in Navotas: 1) achieve zero drop-out rate, 2) improve performance levels in the NAT, 3) achieve 100% promotion rate, 4) increase basic literacy levels from instructional to functional, 5) eradicate malnutrition status of identified wasted and severely wasted learners, 6) ensure commitment to child-friendly school system policy, 7) intensify efforts to provide educational opportunities for OSC and OSYs, 8) ensure that all schools are properly managed using SBM (school based management) principles and tools, 9) promote adoption of single shift scheme, 10) promote training and professional development of all personnel, 11) making PTAs and SGCs more functional, 12) strengthening stakeholders participation and linkage building to support education programs, 13) improve ICT capability and research development, and 14) school performances are measured and recognized. The plan is cascaded to all the schools and School Improvement Plans must be formulated to achieve these 14 priority objectives. Performance of schools is assessed on the basis of how they attained the objectives under the plan.

The SDS regularly reports to the Local School Board on accomplishments on the 14 goals. In the early stages of SEF budget formulation when school principals and the Division Office meet to identify and prioritize proposals, their bible is the Education Development Plan. When the Division Office puts together the proposed annual SEF budget for the LSB's review, the Mayor expects this to be aligned to his education vision for Navotas. One often hears the Mayor say "The Division Office should know their job." The arrangement is unique and puts a lot of weight on the DO to level up and deliver. When the LSB discussed the USAID recommendation for Navotas to improve the reading skills of students, the SDS informed that a reading assessment tool to track the children's performance in reading is already being developed.

Navotas' overall education program is holistic. Navotas runs several programs on education. They want to touch as many aspects of education. The Mayor and the LSB drive the implementation of these programs. And they take the responsibility of sourcing the funds from the SEF and other local means to be able to implement these programs.

The community is involved in these programs through the School Governing Councils. Parents' involvement in the children's schooling is encouraged and an annual Family Day is held in every school to highlight the importance of parents and family in the education of children. Out of school children and children of poor families and informal settlers are not left out; the city runs a Foster Parents' program and the Kindergarten-on-Wheels program for them. A feeding program, a scholarship program and a values education program are also being implemented. Schools focus on improving reading proficiency and the latest available PhilIRI scores showed that the number of frustration readers has been significantly reduced to 5.58% of total enrollees from 22.61%. Teacher training programs are implemented for the continuous professional development of teachers.

Education governance is participatory and inclusive. While the Local School Board has not been formally expanded, taking from the Robredo Model, the LSB makes it a point to invite sectors and resource persons to its meetings when an agenda item is of concern to them. Navotas Councilor Lupisan, who chairs the Education Committee of the Sangguniang Panglungsod, calls their LSB a "modified expanded" model.

School principals participate in the LSB meetings when their proposed school projects are in the agenda. The City Superintendent usually asks them to join him during SEF budget deliberations in the Board. In one LSB meeting that discussed the supplemental SEF budget, the school principal defended the timing of the proposed procurement of industrial electric fans. The Mayor wondered why the proposal was not made earlier so that the electric fans would have been affixed and ready by school opening.

An NGO called EDC presented Project AWARE or Accelerating Work Achievement and Readiness for Employment, to the LSB. It is a project that encourages local businesses to host senior high school students for work immersion. Students of Kaunlaran High School would be the first to benefit from the project and complete 80 hours of work immersion. The LSB proposed a MOA among the city government, EDC and business establishments to promote and sustain the project.

The LSB regularly consults with the City Budget Officer, the City Engineer and the BAC Secretariat that they are almost regular fixtures in LSB meetings. The City Budget Officer reports on the Statement of Appropriations, Allotment, Obligations and Balances of the SEF fund. She informs the LSB on the utilization of the SEF funds. The LSB may then decide to realign unutilized SEF funds. The City Engineer reports on the status of infrastructure projects funded by the SEF. There are times the Mayor would ask the City Engineer to recompute the estimate for some capital outlays because the estimates presented appeared to be unrealistic. The BAC Secretariat informs the LSB on the status of procurement. She also validates the cost estimates of proposed projects before these are acted upon by the LSB.

The process of formulating the SEF budget has a clear structure and a whole lot of diligence put in it. This reflects a lot of the character of the Mayor who appears reserved on the outside but is known for seriously doing his homework.

Navotas basically follows the suggested calendar in the DILG-DBM Joint Circular No. 1. The summer month of May signals the start of the SEF budget season. The machinery grinds, so to speak, with key players in the budget preparation playing out their roles. The education focal person in the Office of the Mayor makes sure that the responsible officials do their work and the education priorities of the LGU are followed.

The SDS calls for school principals to meet to identify their priorities based on their SIPs. By July, the City Treasurer has come up with the estimate SEF revenues for the following year. The Treasurer works closely with the Assessor's Office who has the data on property values. An effort is put in to collect delinquent SEF taxes from previous years. The City Treasurer's estimate feeds into the evaluation of proposals at the DO level.

The school principals' proposals are reviewed, along with other proposals including from the Parents-Teachers Associations. Cost estimation is done from August to November. Usually, the principals submit estimates but these are reviewed by the BAC Secretariat. For capital projects, the Engineer of the DO initially prepares the program of works which is reviewed and finalized by the City Engineer's Office. The refined SEF budget proposal is then elevated to the LSB.

Every item in the SEF budget proposal is evaluated by the LSB. The Mayor makes it a point to chair the SEF budget deliberations. They follow some guidelines. They review the proposals in terms of how they benefit the students, the teachers or the school. Salaries and training expenses are usually "fixed" and no longer debated on. They look at purchases of equipment, capital outlays, and supplies. The LSB checks the cost. If the cost of a proposed project is too big and will eat up a large chunk of the SEF, the LSB decides to propose the funding under the General Fund. One will see later how the LSB has been resourceful and managed to tap other local fund sources for education-related projects. School principals may be invited to attend budget deliberations but no more public hearings are held at this point.

After 2 or 3 meetings, the Board passes a resolution approving the SEF budget. It follows all the regulatory requirements, such as: the Budget Officer has prepared the amount of appropriation and the Planning Officer includes the activities in preparing the Annual Implementation Plan.

SEF spending is closely monitored. The LSB tracks the SEF budget in terms of actual spending versus appropriation. The Budget Officer regularly updates the Board on this. The SDS or the City Engineer updates the Board on the status of project implementation. When the City Engineer reported in January that he was still finishing the program of works for the infrastructure projects, he was asked by the Mayor to report back to the Board. The Mayor is keenly aware of projects funded through the SEF. He knows how many school buildings are being constructed. He knows which school might already need

steel grills or lighting depending of the school building's stage of construction. He remembers schools that have requested desks and schools that have not.

According to the SDS, the DO helps the LGU ensure that projects are actually implemented. Since Navotas has annually vied for the Seal of Good Local Governance, it must fulfill the criteria that 85% of plans and programs have been implemented and 85% of the budget has been spent.

The LSB seeks ways to increase funding for education. Navotas realizes that its SEF revenues are not huge compared to other cities especially in Metro Manila. They have to be resourceful in order to finance education projects. Mayor John Rey Tiangco bit the bullet by updating the market values of real properties which have not been adjusted for 26 years. To stave off the political repercussion, the Mayor implemented the increase only on commercial and industrial properties which made up 5% of property units but the major chunk of revenues. The tax increase was spread over a 3-year period. A real property tax amnesty on tax delinquencies was launched. The Mayor said that this program was unexpectedly successful. They held business forums to explain the tax measure. They campaigned in schools to get the education community and the parents' support. When they explain to taxpayers that the additional revenues that will be raised will be used for education, "lumalambot sila (they give in)."

Transparency pays for Navotas. Mayor Tiangco used the taxpayers' forum organized by the Business Permits and Licensing Office to report on tax collections and on education programs that are funded from the city's tax collections. A Transparency Board is put up near the ground floor elevators for constituents to see how the SEF is utilized.

It also pays to be resourceful in the name of education. Navotas is able to fund various education programs because it has tapped other local sources such as the General Fund, the Navotas City Council for the Protection of Children Fund and the Trust Fund. Some P15, 636,683.20 in 2017 and P49, 443,492.20 in 2018 were tapped to fund the scholarship programs, teacher trainings, kindergarten on wheels project, purchase of Navotour buses for educational tours, youth and kids' ministry, balik eskwela bags and Navoteno family day.

Program/Activity	Amount in Pesos		Source of fund
	2017 (PhP)	2018 (PhP)	
Navotaas Scholarship Program	12,167,432.00	16,731,500.00	General Fund
Takbo ni Juan para sa Iskolar ng Bayan	840,751.16	903,895.76	General Fund
Youth and Kids Ministry and Avot John School Tour	900,000.00	900,000.00	General Fund
Accelerate: Professional Development Seminar for Teachers	-	14,765,600.00	General Fund
Ugnayan with Navotas City Teachers	-	800,000.00	General Fund
Kindergarten on Wheels (truck repairs)	-	500,000.00	General Fund
Balik Eskwela Bags	1,400,000.00	1,500,000.00	General Fund
Navotours (purchase of bus)		10,000,000.00	General Fund
Kindergarten on Wheels (supplies)	80,000.00	40,000.00	Navotas City

Program/Activity	Amount in Pesos		Source of fund
	2017 (PhP)	2018 (PhP)	
			Council for the Protection of Children (NCCPC) Fund
Pamilyang Navoteno Family Day	248,500.00	248,500.00	NCCPC Fund
Navotaas Scholarship Program	-	3,953,996.45*	Trust Fund (Navotaas Scholarship)

*accumulated amount from previous years up to 2018

Moving forward and “bettering” themselves. The Mayor believes that more can be done if more resources are made available to local governments. He hopes that the provision of the Local Government Code to update the schedule of market values can be done religiously every 3 years to make robust the real property and SEF tax revenues. He looks forward to the implementation of the Supreme Court decision broadening the base of the internal revenue allotment (IRA) and thus, providing LGUs with more resources. He appeals that the Commission on Audit can have fairer and standard interpretations of LGU expenses. Standardizing COA rulings on education related expenses would be helpful to all LGUs. The city also pushes for the review of guidelines on the utilization of the SEF to make it more responsive to needs of education. The LSB wants to improve its monitoring of education performance. It wants to link the intervention of the LSB through the SEF budget to the attainment of desired education targets.

Valenzuela City

The Mayor is the Superintendent too

In the last 15 years, Valenzuela City has evolved from a laidback and nondescript town to a progressive and bustling city. It has developed into a major economic and industrial center in the country. The growth and forward-looking stance of Valenzuela City can be attributed to its immediate past and current leadership.

Valenzuela is known as the city with innovative practices. Leaders from all over the country have made it a favourite site for study tours or “lakbay-aral.” The City’s significant reforms on governance encourage other cities and municipalities to replicate and organize similar programs.

Alongside economic progress, the City puts a premium in the quality education of the children from Valenzuela. Typically, education is not within the wheelhouse of the local government and is often left under the Department of Education.

But Mayor Rex Gatchalian is out of the ordinary -- taking on the trailblazing role of leading the implementation of the Valenzuela City’s Education 360° Investment Program. Launched in 2013, the Education 360° Investment Program is a holistic, comprehensive, systemic, community-driven and student-centric program that revolutionized the public education system in Valenzuela City.

The City government focuses on all aspects of student’s learning. It adapts a “cover-all-fronts” strategy and invests in every vital aspect of basic education - school supplies, curriculum, nutrition, teacher competency, parental involvement, sports and infrastructure. Through deep community involvement, the program aims to provide every Valenzuelano with quality basic education and produce a globally competitive citizen.

The Education 360° Investment Program consists of the following components:

1. Facilities Build Up: Facilities that inspire learning
2. Nanay Teacher Parenting Camp: Parents engaged for learning
3. Teaching Camp: Capacity-building for Valenzuelano teachers
4. Curriculum Development: Manualizing of operations
5. Reading Camp: Hitting the problem at its core – illiteracy
6. K to 6 Feeding Program: Rallying volunteers to combat malnutrition
7. Performance Incentives Program: Incentivizing performance equals higher attendance rate, higher degree of interest
8. Inclusive Learning: Special Education and strengthening of Alternative Learning System (ALS)
9. Well-rounded, Balanced Student Program: Tying up moral values to baseball and street soccer (sports skills)

The Mayor believes in participatory governance. Broad ownership of programs brings out enthusiastic involvement, shared accountability and gives opportunities to community members to contribute.

Empowerment starts with informing and listening to residents. The city government regularly conducts consultations with different sectors, school summits, and workshops with teachers and parents. These are opportunities to discuss the state of education in the City: how many are in school, how many are dropping out, how many are performing well, and why children are under-performing. The workshops turn into a listening session. Residents, local leaders, parents and teachers share their dreams for the students and the realities that they face. Their difficulties and inadequacies become the basis of programs that will be collaboratively undertaken by the community and will be funded by the SEF budget. The Education 360° Investment Program was formulated through consultations, listening and participatory planning.

Expansion of LSB

Citing Synergeia's mantra of "Building a Constituency to Make Education Work," Valenzuela City strengthened its LSB by expanding the composition of its membership through Executive Order 2019-324.

In addition to the LSB members mandated by the Local Government Code, the following are made part of the expanded LSB:

- President, Liga ng mga Barangay
- City Budget Officer
- Head, City Communications Office
- Head, Office of Senior Citizens' Affairs
- DedEd Chief Education Supervisor, Curriculum Implementation
- Representative from Association of Private Schools
- Fr. Lito Caluag, Chaplain of Our Lady of Fatima University
- Representatives from Splash Foundation, Foodsphere Inc. (CDO) Foundation, Fatima Hospital
- Project managers of Education 360 program components (Nanay-Tatay, Reading Camp, SPED, ALS, Sports, Feeding, Teachers Camp)

To streamline meetings and decision-making, the expanded membership of LSB was clustered into multiple technical working groups headed by action officers/project managers. This makes work faster and more efficient. There is no need to call the whole expanded LSB to discuss specific issues that do not concern everyone.

Forming LSB committees allow for a more even playing field, ensuring that everyone is able to contribute and make their voice heard. By giving members this kind of opportunity, discussions and meeting will not only be more productive, but more value adding for the team as well.

The Mayor stressed that bite-size programs should be owned by smaller teams and action officers. By challenging people to take ownership of their work, he encourages them to make things happen. These teams are tasked to meet regularly and report back to the LSB.

This system does not only speed things up but also allows the teams to develop a level of expertise or specialization in the areas of ALS, sports, feeding and so forth.

The regular LSB meeting is set every third Friday of the month. But in reality, the board meets at least twice a month or more. Core group meetings are held regularly. Project Managers convene regular committee meetings as well.

Dr. Meliton Zurbano, newly-transferred Schools Division Superintendent (SDS) of Valenzuela shared that he goes to the City Hall every week for meetings. He said in jest that he is more often seen at City Hall than in his office at DepEd.

Mayor is Superintendent too

Mayor Rex epitomizes the new breed of leaders – restless, energetic and believing wholeheartedly that things can be done, better and more efficiently. He demands order in things. And he demands it from himself and from people around him.

His passion for education has moved him to directly takeover the transformation of education system in Valenzuela. He took the helm in planning and implementing a program using a bottom-up approach. Instead of piecemeal reforms, the city government embarked on a holistic approach that will strengthen all the processes which affect basic education.

Mayor Rex said, “The Education 360 Investment Program is systemic – this is its strongest selling point because we acknowledge that there are multiple dynamics at play. You need a lot of components to solve these problems.”

The Mayor is fondly called the “Other Superintendent.” He has a good picture of the current situation of education in the City, its performance successes, challenges and areas requiring attention. He is always up with new ideas and confers with the LSB on how else to improve programs. His energy influences others to do their job and do it well.

Formulation of SEF Budget

School principals convene and carry out the improvement planning process. Principals determine areas that need to be prioritized based on their School Improvement Plans (SIPs). The submitted proposals are consolidated and submitted to SDS for evaluation.

The proposed SEF budget prepared by the school level and city level are consolidated and submitted to the LSB Chair.

The annual budget calendar is prepared before the end of the year. It includes the plans of the LSB, budget estimates and indicative calendar for both division and city-initiated programs.

The Budget Officer stated that the Education 360 Investment Program is anchored on the City's Comprehensive Development Plan. DepEd's Division Education Development Plan (DEDP) falls under the Education 360 Program.

Action Officers and working groups of the Education 360 discuss, deliberate and evaluate the different programs. Any adjustments -- enhancements, deletion/addition, scaling up or revision will be taken into consideration in the preparation of SEF budget.

Examples of adjustments include:

- Reformatting of Nanay-Tatay-Teacher Program
- Anticipated increase of ALS participants
- Decline in number of feeding beneficiaries / new program addressing malnutrition

The proposed budget from the school level and Education 360 programs are consolidated and reviewed by Budget Officer before it is presented to the LSB.

The Budget Officer said that the project/activity estimates depends on the type of expenditure and number of beneficiaries, if applicable.

It is the City Treasurer who estimates how much SEF revenues can be budgeted by the LSB. The basis of estimates is the collection of the previous year plus an increment of ten percent (10%).

The LSB set targets and performance indicators for the SEF budget for the year. According to SDS, the LSB use the targets and indicators set by the DepEd.

Disagreements arise when the Mayor increase the targets higher than the standard indexes.

The preparation of the SEF budget is a collaborative effort of the following key players:

1. Mayor – approval of SEF budget
2. Project Managers of Education 360 components:
 - Vice Mayor Lorie Borja - Reading Camp/Feeding Programs
 - Councilors Rovin Feliciano/Tyson Sy - Sports Program
 - Councilor Charee Pineda – ALS
 - Councilor Carreon – Anti-bullying
 - Core (voting) members of the LSB – review of proposed budget

After thorough review, planning and evaluation of the proposed SEF budget, the LSB passes a resolution authorizing spending of the SEF and the Mayor gives his approval of the disbursements of the SEF budget.

SEF spending

The LSB follows the standard procurement process for services, goods, repair, maintenance and utilities. If amount is more than one million Pesos, it would go through the standard bidding procedure.

The Mayor stated that nothing is disbursed over the budget, and no expense is allowed to exceed beyond what has been allocated. The Budget officer ensures that prices are reasonable and competitive.

The SDS prepares a quarterly report which is submitted to DepEd Central. The Budget Officer also submits a report to COA.

The LSB adheres to the principle of transparency and full-disclosure of budget spending. This information is posted on the official website of the City and transparency boards are located at three conspicuous places.

Revenue enhancement

Valenzuela City gained recognition for its resourceful tax collection efforts and honest utilization of funds. The City ranked first in Local Revenue Collection Efficiency in the National Capital Region (NCR) and second among all the cities nationwide for fiscal year 2017. It also registered the highest sum in the Real Property Taxes (RPT) in the region in the same year.

When asked if the LSB engage in any activity to increase the SEF collection, Mayor Rex was quick to say “No.” He said the LSB only knows how to spend.

Revenue enhancement is the responsibility of the Mayor and the City’s revenue enhancement team.

As the number of children in the City grows every year, their needs increase as well.

The Mayor stressed the importance of building SEF through continued efficient tax collection alongside streamlining of spending.

Valenzuela City: The Epicenter of Excellence in Education Finance

A. Extraordinary in Many Ways. The LSB of Valenzuela City is extraordinary in many ways.

- The delivery of education is driven by the local government led by the Mayor. The city has a roadmap, “Education 360° Investment Program”. The blueprint is geared towards the provision of a holistic, systemic, community-driven and student-centric programs.
- The LSB meets more than 24 times a year, i.e. twice a month. In addition, the Mayor hosts dinners to discuss special projects and concerns. The meetings that are all chaired by the Mayor are held for planning, budgeting, monitoring, and evaluation.
- The LSB works with a core group, those that are named by the law. But each of the components of Education 360° has a working group-- i.e. feeding, literacy, ALS, sports, infrastructure, instructional materials, parenting, and teaching camp, among others. The working groups participate in planning and are called upon when needed during LSB meetings. The Mayor feels that their attendance to all the meetings would be a waste of their time especially when the agenda does not include their concerns.
- The LSB has non-voting members: President, Liga ng mga Barangay, City Budget Officer, Head, City Community Services, Head, Office of Senior Citizens’ Affairs, DepEd Chief Education Supervisor, Curriculum Implementation; Representative from Association of Private Schools; Splash Foundation, Foodsphere Inc. (CDO) Foundation, Fatima Hospital; Project managers of Education. They participate in consultations, planning and program implementation.
- The LSB uses data all the time: in setting targets, planning activities, evaluating performance, and giving incentives. Targets on performance, i.e. cohort survival rate, completion rate, promotion rate, dropout rate, and NAT results, are suggested by the DepEd, but more often than not, the Mayor challenges the LSB to aim beyond the targets.
- The LSB uses participatory planning. A portion of the SEF is earmarked for financing SGC proposals. A fixed amount is given to every SGC. The proposals are presented and “defended” before a General SGC Assembly. The top ten proposals that are ranked by the Assembly are given a premium. Ranking is based on three criteria: impact on learning, sustainability, and contribution from the community. For greater fairness, schools are classified according to size: Large, medium, and Small. Proposals that are ranked from 1 to 8 within each cluster get an added premium.

B. The Budgeting Process. Budget proposals are drawn up by the school heads, Project Teams, and the School Governing Councils (SGCs).

- Using their School Improvement Plans, the School Heads propose projects and activities that need support from the LSB. These are consolidated by the Superintendent after a series of consultations with the Principals.
- The SGCs propose projects for funding that are presented before the SGC assembly.
- Project Teams submit budgets to finance workshops and program operations.

The SEF revenues to finance the budget proposals are estimated by the City Treasurer. The estimates are based on how much was collected during the past year plus a 10% increment. The Budget Officer organizes the proposals and their costs into an SEF budget. . Unspent capital outlays are included in the budget as continuing appropriations and MOOE that were not disbursed are indicated as beginning *balance*.

The budget deliberations are relatively smooth and without much debate. There were only two instances where the LSB had a prolonged discussion: the setting of targets, and a proposed research fund for non-academic personnel. Since the COA does not allow funding for the latter, the LSB suggested that the proposal be presented to COA for resolution.³⁵ Before the year ends, the budget is approved.

C. Budget Implementation. The LSB follows the prescribed procurement process for local governments. Procurement that costs more than one million pesos goes through a bidding process. Locally-hired teachers and school personnel are screened by the recommendations are forwarded to the Mayor.

There is full disclosure of how the budget is spent through the posting of disbursements in the city government's website and transparency board.

Although the SEF collection of the city government of is relatively large, it is never enough. The City allocates a large sum for education from the General fund. A million pesos is provided to Valenzuela Math and Science school for Teachers' allowances and Instructional materials. The City Government finances the construction of elementary, secondary and tertiary schools instead of being reliant on the central government.

The Mayor points out two major areas on how to improve education finance:

- Improve tax collection
- Streamline spending. Make sure that outputs are result from efficient spending.

He says in jest that the LSBs only know how to spend and revenue generation sis left to the city government.

Valenzuela has a reinvented Local School Board, a lesson which the Mayor cites has been learned from Synergeia. The expanded membership is divided into clusters headed by Action Officers: e.g. ALS, Sports and Values Development; feeding; Reading Program; Nanay-Tatay Program. Working in clusters results to faster and more efficient operations. The Mayor stresses that "There is no need to call the

³⁵ The COA allowed the reclassification of the expense as research honorarium as long as payments are supported by research outputs.

whole expanded LSB to discuss specific issues that do not concern everyone. “He considers it as a waste of time and not effective. The Mayor stressed that bite-size programs should be owned by smaller teams. These teams are tasked to meet regularly and report back to the board. This system does not only speed things up but also allows the teams to develop expertise and specialization.

The Bacnotan School Board as an Education Dynamo

When education is at the forefront of the agenda, a community can do so much for the education of its children. This is the case for the Municipality of Bacnotan in La Union where the Local School Board (LSB) serves as a propelling force for the community to embrace child-centered education programs.

The Mayor Champions Education

Mayor Francisco “Francis” Fontanilla, although an engineer by profession and not an educator himself, strongly believes that only education can uplift people from poverty. And the delivery of quality education is only possible with good governance where it is inclusive and participative. Mayor Fontanilla’s quiet demeanor is never mistaken for weakness but is deemed to be of strength. He is a listening and observing Mayor who silently takes mental notes of the ideas from the ground and uses these to strategically steer the different stakeholders in governing education in Bacnotan.

Bigger is Better

Mayor Fontanilla is determined to make education work in Bacnotan. He knew that the Department of Education (DepEd) cannot do it alone. The schools needed the support of the local government unit (LGU) and the other stakeholders of Bacnotan, and the LSB under his leadership can make this happen.

To begin the reform process, he ensured that the LSB had a good sectoral representation so that the body could see the different facets of children’s education. They expanded the membership by inviting the chair of the Municipal Literacy Coordinating Council, chair of the Liga ng mga Barangay, the Municipal Budget Officer, the Municipal Engineer, the Municipal Social Work and Development (MSWD) Officer, Alternative Learning System (ALS) Coordinator, principal representing the public secondary schools, youth representative, religious sector representative, Holcim Philippines, and the Federated School Governing Council (SGC) chairperson.

No One is Just a Cog in the Wheel

In Bacnotan, each member of the community plays an important role in shaping the direction of education. No one is simply a “cog in the wheel” whose role is insignificant. The LSB lends a voice to the children, teachers, parents, barangays and other members of the community.

In planning education programs and the budget, the key players are not only the LSB members. The LGU department heads and the school heads join the planning. One principal explained that it was their responsibility as school heads to give ideas to the LSB where the budget should be spent. It was also their task to know which projects were to be prioritized.

It is not “Business as Usual” for the LSB

With Mayor Fontanilla sitting as the new LCE of Bacnotan in 2014, education took the front seat. Things needed to change to make education work for the children. It was not “business as usual.”

Meetings. LSB meetings are now done bi-monthly because the members think that there are too many matters and concerns to discuss that meeting quarterly or monthly was no longer good enough. Often, the LSB would have special meetings apart from these bi-monthly meetings. They would often meet twice a month.

Aside from the usual business of planning where the Special Education Fund (SEF) would go, the members now have identified more concerns regarding the quality of education in Bacnotan and so, had more things to talk about and more demanding tasks at hand. For example, traffic mapping is now also being discussed in meetings to ensure the safety of children within the school vicinity. Mayor Fontanilla has even tasked the schools to submit a Risk Registry where the risk levels of schools are recorded and taken into account by the LSB. The LSB also has a new take on teachers’ trainings. Instead of sending only a few teachers to attend trainings outside of Bacnotan, they thought it was more cost-efficient to invite resource speakers to train ALL the teachers of Bacnotan. They greatly benefitted from the training of teachers on remedial reading conducted by Synergeia Foundation.

During these meetings, the expanded members report the issues and data in schools. The school heads collect data submit them to the LSB where consolidation is done by the staff at the Mayor’s Office. The ALS Coordinator does the same, collating data and updates from the ALS teachers and reporting these to the LSB. The Federated SGC chair plays an important role as well. She meets regularly with the other SGC presidents to identify problems in the schools, the needs of the learners and the different School Improvement Plans (SIPs). She reports these findings to the LSB. Likewise, updates from the LSB are brought down to the different SGCs through her. In other words, she effectively acts like a bridge between the LSB and the SGCs.

These LSB meetings are well-attended by its members. If there were absences, these would be for valid reasons. No one is deliberately and consecutively absent.

Programs. The programs of the LSB are learner-centered. They are diverse yet all focused on the welfare and learning of a child in all stages of his development.

Zeroing-In On Reading. Bacnotan took years to be considered a “Reading Town” in La Union. They discovered that so many of their children could not even read. Hence, the general poor performance of school children. But they could not see it clearly until the LSB demanded that reading skills were measured by the schools using the DepEd tool, Phil-IRI, and data analyzed. It was only after seeing the consolidated numbers that the LSB realized how big the problem was in 2016. This was when the LSB launched various reading programs, one after the other and some were even implemented simultaneously.

The “Reading Caravan” involves a Multicab vehicle which was converted into a mobile library. This vehicle, accompanied by volunteers from the LGU, DepEd, PNP and senior citizens, go around the barangays to tell stories and do reading activities with the children. At the same time, they provide lectures about reading to parents and barangay officials.

Mayor Fontanilla went beyond this noble idea and decided to create another program called the “Reading Idol ko si Mayor Francis” where he himself goes around the daycare centers once a week to read stories to the children. He believed that leadership by example was very effective. Indeed, the other stakeholders followed suit. The barangays pitched in by coming up with their own reading programs. For example, they have movie nights every Saturday night where the community members, from infants to the elderly, go to the basketball court to watch a children’s movie. Seeing how it was a hit and there was a captured audience, the barangays experimented by doing storytelling right before showing the movie for the night. The barangays also created their own Pabasa program using their Barangay Reading Centers.

Bacnotan National High School also has stepped up by conducting their own reading test for incoming Grade 7 students using the Gates Assessment which looked into the students’ speed and accuracy, reading vocabulary and level of comprehension. They then implemented the Reading Buddy Program where the students in the higher levels help fellow students who perform poorly in the lower years. This is done twice a week.

The LSB also funds the yearly implementation of the Summer Reading Camp where children identified as non-readers and frustrated readers undergo a fun summer activity in school. Activities are focused on learning how to read. The children are provided with snacks for every camp day. At the end of the program, the kids are rewarded with bags, shirts and other goodies. During the first year of implementation in 2017, the SEF allocation was over P100k. On the second year, the allocation was tripled because the camp now included sports and science.

As if these programs were not enough, the LSB went as far as hiring reading teachers whose sole job was to go around the schools to help in remedial reading and ensure that every child becomes a reader.

The School Governing Councils. The SGCs of Bacnotan has exhibited functionality over the years and has become so strong that they decided to federate. The elected president of the Federated SGC of Bacnotan now sits as an expanded member of the LSB. The Federated SGC president functions to work with the other SGC presidents to identify the problems of the schools in Bacnotan and reports these to the LSB. She does her best to attend SGC meetings in the different schools in Bacnotan to discuss the needs of the learners and SIPs. She also provides mentoring to the other SGCs during these meetings and informs the LSB budget plan in relation to their respective SIPs. The SGCs of Bacnotan has become so pro-active that in 2019, the LSB organized the SGC Summit where the focus was on the SGC. It was attended by over 200 SGC officers from Bacnotan.

There are many other LSB-initiated programs to enhance the quality of education in Bacnotan.

1. The LSB monitors the programs set for out-of-school youth (OSY).
2. The “Tulong sa Mag-aaral” program is the procurement of school supplies which are distributed to the students from elementary to college levels.
3. The Bacnotan SPED Center is something new. It started as a classroom at the Bacnotan Central School. At first, it did not receive funding from the SEF. However, after seeing that there was a need to strengthen the program because more students were coming in, even from the adjacent municipalities, the LSB decided to support it with P1.8M funding. They now have built a functional 2-classroom structure dedicated to SPED programs.
4. Ten years ago, the allocation for the ALS program was only P100, 000. But after they saw that there was a decrease in adult illiterates, they have increased the funding for this to P400, 000 annually since 2014. They then set up the ALS Center. Mayor Fontanilla proudly said that their ALS program is so good that many other LGUs have come to benchmark its programs such as Angeles City and General Santos City. Likewise, the ALS Coordinator now sits as an expanded member of the LSB. She conducts trainings to bridge ALS to the LSB. She also reports the standing of the ALS programs and data such as the results of examinations of the ALS students.
5. The LSB has a youth representative who has helped with their own youth programs in bringing down drop-out rates.
6. The scholarship program has grown over time and so, the LSB had to create the Scholarship Committee to ensure that all the scholars are properly monitored.
7. The LSB also realizes the importance of recognizing good work in education. They have institutionalized the recognition of outstanding teachers through the Search for Outstanding Educators which is done yearly.

Laser-Focus Planning for Education

Bent on education reform, the LSB of Bacnotan intensified its planning process in terms of the SEF. Data was gathered from the schools and the barangays and were consolidated and organized at the Mayor’s Office for easy access. The LSB analyzes the data during meetings and use it for planning of programs and for monitoring. Mayor Fontanilla insists that requests from schools should be evidence-based and should follow proper processes, genuine planning for tangible projects, fund utilization, and the use of updated data for planning.

The SIPs. The 3-year SIPs, accompanied by their Annual Implementation Plans (AIPs) are submitted to the LSB. These plans have proven to be a great resource for the LSB because these have become the basis for the priority programs to be funded by the SEF.

Because prioritization is not an easy task, the principals have devised a form where the needs of the schools are listed. They then rank these needs according to the urgency of the need. When the need involves the safety of children, it would always be a top priority. In 2018, they prioritized the senior high

schools so that they got a bigger cut from the SEF. So in the LSB, the most urgent needs were prioritized and whatever budget was left was used to start new programs.

To finalize on the SIP priorities, the school heads meet as a group and decide together on what to prioritize in terms of LSB funding. At the same time, they submit the SIPs to the LGU. The Municipal Budget Officer and the Municipal Planning and Development Coordinator consolidate the SIPs and estimate the costs for the programs/projects requested.

The schools do not receive the same amount from the SEF when it comes to the SIP as basis. However, for regular programs such as Brigada Eskwela, the schools receive the same amount. All schools also receive the same school supplies for the children.

Beefing Up the Process. Planning has become a very serious business for the LSB. It is not merely on planning how to spend the SEF. They plan based on reviews of past programs and expenditures, using performance indicators.

Once a year, the expanded LSB invest on a 2-day LSB Planning Workshop which begins with a review of the past year's programs and SEF utilization. It is followed by presentation of the school heads' proposals that were lifted from their SIPs. The LSB listens to the justification of the school heads on their respective proposal. The LSB discusses each item, deliberates, prioritizes and finalizes the budget for the next fiscal year. Mayor Fontanilla facilitates the deliberation, building consensus until a final decision is made. There would often be healthy debates among the members but each member is encouraged to speak up and express his/her views. Decisions are usually reached by the LSB members with the end-thought in mind – the welfare of each learner.

In the LSB Planning Workshop, the LSB reviews the SEF for the year and its utilization. They not only compare the actual spending with the appropriations. They also review performance indicators in terms of the programs, projects and activities that have been implemented.

For example, the investment on the archery program of students in Bacnotan has paid off with more of their archers competing internationally. Investing on the establishment of the ALS Center has helped in more passers where the number increased from 36% to 39% in 2019. The LSB also reviews the ratio of teachers and learners as a basis for fund allocation on financial assistance for teachers' trainings.

The LSB reviews the Phil-IRI post-test results to determine how many non-readers and frustration readers would undergo their Summer Reading Camp. This is to determine how much funding is necessary to implement the activity. Comparing pre-test results of the Phil-IRI from one year to the next, the LSB did see, after two years of implementing the Summer Reading Camp, that the number of frustration readers went down. With zero non-readers in the barangays as a target, a review of the Reading Caravan program revealed a significant decline in the number of non-readers. In addition, this mobile library made the students more interested in reading.

Prior to laying down the plans, the LSB sets targets and the priority plans for SEF funding will have to be in support of these targets. A principal explained that the target of improving the participation rate, the Association of Barangay Captains (ABC) members and barangay officials inform the parents with children ages 4-17 years old that they are required to send their children to school.

Preparing the Budget. The estimation of how much the SEF revenues can be budgeted by the LSB is done by the Local Finance Committee which is composed of the Municipal Budget Officer, Municipal Treasurer, Municipal Accountant and Municipal Assessor. The estimate is based on the following formula – the SEF collection for the past year plus a 2% increase and the unspent SEF revenues from the previous year. If the unspent SEF is under Capital Outlay and MOOE, this will fall under a supplemental budget. All unspent SEF, on the other hand, are continuing appropriations.

The Municipal Budget Officer bases the budget preparation on the SIPs from the schools which has already been incorporated into the LSB Plan. Project costs are estimated based on the previous year's similar project. For example, the Summer Reading Camp costs are estimated based on the previous year's expenses.

Executing the Budget. It is the LSB who authorizes the disbursement of the SEF budget by passing an LSB Resolution authorizing the spending of the SEF.

The LSB still hires SEF-paid teachers because they needed more teachers. Prior to hiring, these teachers must be in the Registry of Qualified Applicants (RQA). The LSB then interviews them. The LSB teachers submit a Daily Time Record and Accomplishment Report to the LGU before they are given their salary in check form.

The construction of buildings is procured through public bidding. The LGU process is followed in procurement. In terms of repair and maintenance of school buildings, if the cost is below P200, 000, the repair is done by LGU administration. Anything above P200, 000 goes through the normal bidding process of the LGU.

Monitoring SEF Utilization. The Municipal Budget Office monitors SEF utilization to follow the guidelines of the Commission on Audit (COA). For instance, the meals and snacks for trainings are not covered by the SEF. In this case, they need other sources for training meals such as those for the literacy program.

The monitoring of SEF utilization is also done quarterly during LSB meetings. They started this ever since the DILG required them to do this when they applied for the Seal of Good Local Governance. Likewise, the LSB does post-activity meetings to monitor expenses. During these meetings, LSB members who have ongoing/completed projects that were funded by the SEF report the status of the implementation.

Reporting to the Community

Transparency on the LSB programs and SEF utilization is promoted through a full disclosure board posted in three conspicuous locations – at the market, at the legislative building and at the municipal hall. Teachers also report about the LSB programs and where the SEF goes during Card Giving Day. The barangay officials also post the SEF Utilization reports in the barangay halls. The SEF budget is also posted in the Bacnotan newsletter, at the LED big screen at the market area and even on the Bacnotan Facebook page. Bacnotan also has a municipal TV station which does a live airing of the Mayor's State of Municipal Address (SOMA). During the SOMA, the Mayor gives the full details on the SEF budget and utilization.

Meeting Challenges Head On

The LSB knows that their P12M SEF for 2017, P11M SEF for 2018 and the P11M SEF for 2019 are not adequate to meet all the needs of the children to ensure that they receive the best quality of education. But the LSB does not lose heart. There are many ways to extend their arms towards internal and external stakeholders who are able to help.

Creativity in Resource Generation. Knowing that the amount of SEF is dependent on the municipality's collection of the Real Property Tax (RPT), the various LGU offices participate in activities to increase SEF collection such as their annual Tax Campaign where the LGU representatives explain to the people in the barangays why they should pay their taxes and how they, ultimately, benefit from the taxes paid.

The General Fund is often tapped for education-related priorities that are the SEF cannot shoulder due to COA rules. One example is the Education Assistance Program which amounted to P720, 000. This amount was distributed to provide assistance to the students at all levels.

The LGU conducts the "Scholarship Run" each year to raise enough funds to shoulder the allowances of more and more indigent students each year. The barangays have their own scholars as well that the barangay funds. For example, one barangay has 6 college and 36 high school scholars. Some of the barangays allocate funds for infrastructure that go to the repair or setting up of school gates, fences and water systems. The 1% Barangay Council for the Protection of Children (BCPC) funds from the LGU is used for these projects.

School-level fundraising activities generate funds that go to whatever urgent needs the schools have. Fundraising campaigns such as popularity contests are done to fund activities such as Family Day where the students and parents have team building activities.

Benefitting from the Generosity of Others. Bacnotan also benefits from the assistance of NGOs and private entities.

1. Synergeia Foundation and USAID have been a long-term partner who has helped them in the capacity-building for the LSB itself, the SGCs, barangays, parents, and teachers.
2. The Jollibee Group Foundation (JGF) has provided for the refurbishment of the school canteen and converted into a state-of-the-art kitchen which served as the Busog, Lusog, Talino (BLT) Kitchen. This kitchen provides meals for over 500 undernourished pupils for 120 school days each year. JGF also provided the training for 10 parent volunteers in terms of kitchen operations. They also funded the first 45 days of feeding for 100 children during the training days.
3. Holcim Philippines, with its plant located in Bacnotan, has long been helping the municipality in many of its education programs. Three years ago, with the help of the LGU, Holcim has started a Youth Camp. Holcim also allocates funds for infrastructure, education and livelihood. One representative also sits as an expanded member of the LSB.
4. The Engineering students of Don Mariano Marcos Memorial State University (DMMMSU) built hand washing facilities for the students of Paratong Elementary School.
5. The Provincial Government of La Union, through Gov. Pacoy Ortega and the Provincial School Board (PSB), has also provided financial assistance for the purchase of sports equipment and facilities. Likewise, the PSB donated P2M for the purchase of the lot that was going to be used for the expansion of the Bacnotan National High School. This was to support the 50% increase in school population in SY 2018-2019 and a 4.26% annual increase in the enrolment in Junior High School. Many of the students are from adjoining municipalities.
6. A partner NGO, the Bacnotan Global Alliance, has also been helping the LSB with the Bacnotan SPED Center with its needs such as the purchase of gas for cooking and groceries.
7. Other NGOs, such as LINKS and BLUCL help with books and library programs.
8. The Blue Citizens League has provided scholarships, grants and outreach to the schools.

Institutionalizing Our Efforts

The LSB recognize the hard work they have put in making education work in Bacnotan over the years. They would not allow the change in administration, whether it's the mayor or the principals or the barangay captains, to take away the best practices that have had great impact on the learners. As such, they have institutionalized many of their programs.

For one, they have created the SB Resolution No. 125 in 2017 to adopt and institutionalize the Bacnotan Learning Journey as the municipality's literacy program. This program targets the improvement of literacy in all fields and categories of constituencies. This resolution was passed to sustain the practice and adopt improvements to fill the gaps in the over-all literacy program such as increasing the number of beneficiaries. The resolution was also passed to create an umbrella program that would cover all the literacy programs of the LGU. This program is provided appropriations every fiscal year.

Mayor Fontanilla realized how high the dropout rate was so he asked for the preparation of a barangay resolution that students cannot participate in barangay activities if they are not enrolled in formal or non-formal education.

If I Could Wish Upon A Star...

The LSB members are very happy with their performance. But there were some things that they wished could be different. One principal noted the mismatch between the school year (June to March) the LGU's fiscal year (January to December). The municipal Annual Investment Plan and the SEF spending follow the fiscal year. Therefore, the SIPs submitted by the schools following the school year do not match, making some projects to be implemented between January to March difficult to carry out using the SEF.

Mayor Fontanilla thought that the matrix on unutilized appropriations and allotments as required by the COA should be improved to see the picture of unspent funds more clearly.

The LSB also recommended that the Internal Revenue Allocation (IRA) distribution (60% for the province and 40% for the LGU) should be switched. She said that the share of the LGU must be 60% while the share of the province should be 40% only so that they can do more for education.

We Reap What We Sow

Indeed, all the effort has paid off. Not only are the children happier and performing better in school. As an added bonus, Bacnotan has received the Seal of Good Education Governance three years in a row (2017-2019). They have also emerged as the national winner of DepEd's National Literacy Award for three years in a row.

Balanga City School Board: A Well-Oiled Machine

Being the education center of the province of Bataan, the City of Balanga has to constantly evolve to meet their ever-changing needs in education. With one state university, nine colleges, 17 secondary schools, 33 elementary schools, and 29 daycare centers, it was no easy task. Mayor Francis Anthony Garcia believes that education is a potent tool in empowering people and that the Local School Board (LSB) was a powerful vehicle in steering the direction of education in the city.

The City Government Has Its Own Department for Education

Because of the numerous and diverse programs for education, and the vision that Balanga City would be a “World Class University Town by 2020”, then Mayor Jose Enrique “Joet” Garcia III thought it was a good idea to open an office in the LGU that was solely dedicated to the city’s education programs. And so, in 2007, the City Education Excellence and Development Office (CEEDO) was established. This unique office allows the centralization of data collection, planning and management of education programs at all levels – from daycare to tertiary level.

Cohesion in Education

The Balanga LSB had to expand to include multi-sectoral representation so that program and budget planning are to address the basic needs of the school children. Membership of the LSB went beyond what was mandated. There is a strong representation from the Department of Education (DepEd) with the inclusion of the principals of the public schools.

The LSB closely coordinates with the City Administrator and the City Planning and Development Office to ensure that LSB plans are incorporated into the City Development Plan (CDP). Likewise, DepEd closely coordinates and collaborates with the CEEDO and the different LGU offices such as the departments of tourism, health, environment, disaster, traffic, security, etc. to harmonize their plans and programs with the vision of the city on education.

The LSB goes a little further. The LSB members from DepEd update the LSB on their calendar of activities in schools. The LGU and the DepEd make sure that their calendars do not overlap to avoid conflicting schedules.

At the start of every year, the LSB members are re-oriented on the vision-mission of both the city and DepEd to ensure congruence. Priority projects are included in the Annual Investment Plan (AIP) to allow the city to fund some of the big projects from General Fund such as the University Town Summit, education summits, Batang Sining, and infrastructure projects.

Investing on Education

The total SEF was P67M in 2017, P53.6M in 2018 and P55M in 2019. This amount is shared by 18 public elementary schools with 23,000 pupils, 3 junior high schools, 2 senior high schools, and 1 integrated school. The 2017 and 2018 LSB Plans show that about a third of the SEF goes to buildings and other structures. In 2018, about 27% went into buying various equipment, furniture and fixtures.

The LSB funds many school programs at all levels. For Kinder to Grade 12, the SEF funds the PTA fees of the students. Although these are not given as cash advances, the PTA presidents prepare proposals that are submitted and approved by the LSB. The PTA fund is allocated in such a way that every child has a budget of P50 for sports, P50 for scouting and P50 for test papers. The LSB spends for scouting and sports activities for athletes, while the test paper expenses are shouldered by the General Fund. Furthermore, the LSB pays for the watchmen in schools.

At the tertiary level, the LSB has a scholarship program called the “Iskolar Balangueno” program for poor but deserving college students. A University Town Summit is held every year for thousands of college students to update them about the latest education programs in Balanga and the opportunities available for graduates.

The Project Duke Program was designed for out-of-school youth to help them to become productive and awaken their spirit of volunteerism thru attendance to trainings, mentorship and employment given by private corporation and individuals.

Even after graduation, the city provides training programs to develop skills and competencies to meet job requirements.

For teachers, the CEEDO initiates the City Education Summit yearly where trainings of teachers and school heads are organized to upgrade their teaching methodologies.

Believing the importance to have a family-oriented city and how a good family life affects the performance of children in school, the LSB came up with the very successful EDUCHILD Parenting Program which was designed for parents from the daycare centers all the way to high school. The various activities under this program strengthen parenting skills.

To ensure that children have access to computers and the internet, the Barangay Learning Hubs (BLHs) and School Learning Hubs (SLH) were established as the flagship program of Mayor Garcia. These are internet-powered facilities built for alternative learning with at least 15 computer units each.

In addition, a Theater Arts Workshop is done yearly to provide extracurricular activities for the children.

All these efforts have made Balanga City a Hall of Fame awardee of the National Literacy Award by DepEd and the National Literacy Coordinating Council.

No Stone Left Unturned

Mayor Garcia meets and presides religiously over LSB meetings every month. He also takes the lead in the deliberation of plans and budgeting. He monitors project implementation as well.

The Budget Process. Prior to the budgeting season, the City Treasurer gives an estimate of the SEF for the following year. The SEF estimate is based on the SEF collection for the past year plus a certain percentage increase. The unspent SEF is considered as continuing appropriation and the beginning cash balance for next year subject to Supplemental Budget approval.

Budgeting is done by the Local Finance Committee which is composed of the City Treasurer, the Planning Officer, the City Budget Officer and the City Assessor. Inputs come from the CEEDO and the LSB Co-chairman – the DepEd Superintendent.

As early as August, DepEd prepares the budget proposal for the LSB. They consult their principals thru a Management Committee Meeting where they submit their needs for the next school year. The needs are then grouped according to the SEF categories such as Maintenance and Other Operating Expenses (MOOE), Capital Outlay (CO), or Personal Services (PS). Not much is charged to PS because there are items that are financed by the central government. Salaries for watchmen and utilities are charged under the MOOE. The budget hearings and deliberations during LSB meetings are done in October. The budget proposals from the principals are aligned with the SIPs of DepEd and the AIP of the city. The PPAs are harmonized to create a coherent plan.

Budget proposals are prepared by different sectors. The budget proposal for PTA activities is prepared by the PTA. The proposal for the Test Paper Fund is prepared by the DepEd's Testing Coordinator. For the Sports Fund, the DepEd's Sports Coordinator prepares the proposal for the uniforms, meals and transportation of the athletes. The Scouting Fund proposal is done by the Scouting Coordinator.

The LSB Plan. To further systematize the tasks of the LSB, they prepare an annual LSB Plan which provides the following: program/project/activity (PPA), implementing office/department, date of implementation, expected outputs, funding source, and budget (divided into personal services, MOOE, capital outlay). Infrastructure projects are under capital outlays. Unspent capital outlay is considered as continuing appropriation for the next year.

The LSB Plan is a consolidation of the education plans of the city and the schools. Using the process taught by Synergeia, the multi-stakeholder members of the School Governing Councils (SGCs) prepare the three-year School Improvement Plan (SIP). Before the SIP lapses, they see to it that the next SIP is prepared so that there is no gap in between implementation years. Copies of these SIPs are also given to the CEEDO for harmonization and then submitted to the LSB for use in budget planning.

The Budget Deliberation. Mayor Garcia insists on a results-based decision-making at the LSB. "So the more data that they have, the better it will be for the LSB," he said. A proposal for the construction of

school is evaluated using several factors: the number of students it will serve, the public transport fare that would be spent by students, among others.

The Liquidation Process. For items procured by the LGU, the City Accounting Office does the liquidation. Principals have to liquidate their cash advances, such as those that finance sports activities, within 15 days.

The Review Process. At the end of the year, the LSB reviews if targets or goals have been met. They evaluate targets relative to outcomes. They check on what goals were met using performance indicators and analyze why the targets were not achieved. Then, results are used to formulate needed interventions. Investments were made on the organization of Learning Hubs that are equipped with computers.

Broadening the Sources of Funds

Improving Tax Collection. To increase the collection of the Real Property Tax (RPT), schools support the LGU in the yearly Tax Collection Campaign. The schools organize where children carry placards that encourage community members to pay their taxes on time. An example of the placard is: “Pay your taxes promptly. Dahil kami po na mag-aaral ay dito umaasa.”

Aside from that campaign, tax payments are also integrated into Social Studies lessons for students to understand the importance of taxes. The SEF is explained in school assemblies.

Other Sources of Funds. The LGU helps in augmenting education expenses by charging bigger projects from the General Fund, especially for the items prohibited in SEF spending. Many school construction and repairs are charged to the General Fund as long as these are listed in the AIP. Test paper reproduction during periodical exams, the training of the facilitators of the Barangay and School Learning Hubs and the purchase of laptops for teachers are also charged to the General Fund.

Mayor Garcia shared that aside from the SEF and the General Fund, Balanga City has many partners who help in improving the quality of education. For the Barangay Learning Hubs, most of the funding for the purchase of computers comes from donations. From DepEd, they got P1.5M and other partners also gave donations. The barangay provides the security for the learning hubs and foots the electric bills. It helps that the Provincial Government is headed by the brother of the Governor who provides supplemental funding.

The DepEd Superintendent added that they also make sure that the SEF is not the only source of education fund. The expenses which the MOOE of schools and their canteen fund are the ones that are brought to the LSB for funding.

The City generates several partnerships to finance its education programs:

1. Various donors have donated a total of 475 computers for schools (50 computers from Grand Innovasia Concept Corporation; 90 computers from GENPACT; 30 computers from Waltermart, etc.)
2. PhilChina for the donation of 16 classrooms to the National High School
3. Oplan Balik Eskwela, a joint program of the LGU and DepEd, received help from government agencies such as DTI, PNP, DPWH, PENELCO, DOH and PNP. Various city government departments also helped – City Disaster Risk Reduction Management Office, Bureau of Fire, City Population Management Office, City Health Office, General Service Office and the City Engineering Office.
4. Scholarship program from Petron.
5. Lot purchased for the proposed School of Arts from AGMC Paper Mills, Inc.
6. In partnership with Genesis Bus, the “Tulong Sakay, Libreng Sakay” program was launched. The Vista Mall shuttle gives free ride to students as well.

The Going Can Sometimes Get Rough

The City Budget Officer said that there is no process that is perfect. There are always hindrances and challenges in LSB operations.

The Joint Memorandum Circular from the Department of Interior and Local Government (DILG), Department of Budget and Management (DBM) and DepEd has posed a problem.

For example, prior to the release of the memorandum, the LSB has already allocated for the salaries of 24 clerks and 2 nurses. Since this was already disallowed in the memorandum, they had to find other sources for their salaries.

In cases where items such as test papers cannot be funded by the SEF, the expense is classified as donations to the PTA and funded by the General Fund.

The memorandum also prohibits the hiring of LSB teachers. Thus, they were unable to hire teachers for the newly established Balanga City Science High School and had to borrow two teachers from Bataan National High School who were hired by the LSB.

How We Wish...

The DepEd Superintendent wished for the private schools to be in the LSB. She suggests a deeper analysis of the efficiency in budget utilization.

The Accounting Office representative thought that reporting of unpaid balances should be done during the monthly LSB meetings. She also wished for more detailed reporting from the schools on their MOOE expenditures. This is to prevent duplication of funding.

The DepEd representatives thought it would be a good idea to have a more comprehensive Education Plan for the city that harmonizes all the plans coming from the DepEd and the city.

How the representative of the Balanga Teachers' Association wished that discussions were more evidence-based to determine if funds improved learning performance of children.

The City Administrator thought that it would be helpful if the SIPs submitted by the principals can be consolidated with performance indicators.

SEF Budgeting by the LGUs in Capiz

1. Their education programs are part of their Local Development Plans or their Executive Legislative Agenda. Dao and Sapián have separate Municipal Education Plans.
2. The LSBs do not follow a rigid SEF budget calendar. Sapián and Ivisan follow the LGU budget calendar. Dao follows the budget calendar of the DepEd.
3. Budget estimates are based on the real property tax collection for the preceding year, plus a certain percent increase. Unspent SEF revenues are added to the budget as “continuing appropriations.”
4. The targets that are set are in term of outputs, e.g. equipment to be procured and utilized, and repair of buildings.
5. The principals discuss the proposals from their SIPs and form a consensus on which projects should be prioritized.
6. The SEF budget is put together by the Treasurer in Dao, Sapián, and Mambusao. The Supervisor in Ivisan does the job in coordination with the Planning Officer.
7. Budget deliberations are chaired by the Mayor with a good attendance from LSB members. Sapián notes that the District Supervisor is absent at times due to the many DepEd activities. But a representative is sent to take his/her place. There is not much debate among the members, and if ever there are contentious issues, the Chair resolves them. Budget authorization is done through a joint resolution that is approved by all the members. In Dao, the Mayor gives a final review of every proposal before he gives his approval.
8. Procurement goes through the normal LGU process. The Municipal Engineer prepares the work program for infrastructure projects. The BAC conducts bidding and awards for projects valued at more than one million pesos.
9. Monitoring and evaluation of budgets are focused on efficiency in disbursements. The process is done by the Accounting office and the Budget Office.

SEF Budgeting in Iloilo's LGUs

The process of SEF budgeting is quite traditional. It is fluid and iterative. No municipality has an Education Plan and the schedule for budget preparation is not set in stone.

Budgeting starts with the preparation of the SEF estimate by the Treasurer. Ordinarily, the amount that is available for LSB spending is how much SEF was collected last year plus a reasonable percent increase. The budget also includes continuing appropriations, i.e., how much SEF was not spent last year.

A review of how the SEF budget was spent is made. Generally, LSBs compare actual spending vs. appropriations. Cabatuan, Pavia, Concepcion, and Balasan said that the LSBs look at how many of the planned projects were completed in the past year.

The use of outcomes was mentioned by LSB Dumangas and San Enrique, i.e. reduction in the number of non-readers and non-numerates. Dumangas adds that the LSB looks at the participation, dropout and achievement rates.

LSBs use the School Improvement Plans (SIPs) as sources of information on the activities that they will finance. The process of selection and prioritization is informal. Generally, District Supervisors meet their school heads and prioritize the projects based on needs. But, no set standards or criteria as basis for prioritization were explained.

Budget deliberations are chaired by the Mayors. Three municipalities (Ajuy, Balasan and Estancia) observe that the Local Sanggunian Member who is in charge of education often misses the deliberations. The non-regular members, i.e. those who were added to the expanded LSBS are frequently absent as well.

Consensus on the budget is easily built and without much debate except two cases mentioned by LSB Dumangas: accommodating the priorities of two districts and constructing school buildings in the face of insufficient funds.

The estimation of project costs is done by the Municipal Engineer. The LSBs follow the procurement law and the bidding process is lodged with the Bids and Awards Committee of the locality. Although there is a national government directive against the local hiring of teachers, the LSBs have no alternative but to spend part of their budget for teachers' salaries. Teachers' hiring is done through the screening and recommendation of the District Supervisor.

Project monitoring is performed by the Planning Officer and the Municipal Engineer.

LSB in the City called “The Jewel of the Sugar Island”

A Case Study of PFM in Sipalay City

Sipalay City is a 4th class city 175 kilometers south of Bacolod City in Negros Occidental. It has a population of 70,070 as of 2015 census. It boasts of several world-class tourist destinations which a variety of attractions to its tourists from the beach goers to deep sea divers. The new mayor, Hon. Maria Gina M. Lizares assumed office on June 30, 2019.

What Were Practiced Before? The usual practice of the LSB under the previous mayor was to respond to the requests of the teachers and principals regarding problems in school. The most common requests were school building repairs, chairs, paints and other material needs during Brigada Eskwela. We could say that it was more of a dole out from the SEF without proper discussion on the utilization and prioritization of the needs of every school. There was no medium or long term education plan and everything depended on the lists submitted by every school plus the mayor’s priority projects.

The practice of the previous administration was more of traditional politics and it was willing to accommodate everybody’s request without much discussion.

The LSB was purely dependent on the collection of the Office of the Treasurer for the SEF. There was no initiative or measures undertaken to help increase revenue collection. They relied on the treasurer’s target for the year without even discussing how much is supposed to be collected for the year. Although tax mapping is done by the Assessor’s Office every year, no evidence of validation and reconciliation of the actual collectibles versus target was observed in the process.

Another weakness observed was the lack of system or process for validation of requests submitted by DepED. As mentioned earlier, the LSB is purely dependent on what is submitted by the School Heads to the District Supervisors.

Monitoring and evaluation is also a deficiency by the LSB. They only relied on the reports submitted by the end-users, the Office of the City Engineer and reconciliation of expenses with the Treasurer’s Office.

The New Governance. Mayor Lizares saw how the previous LSB was working being the former vice mayor. She wanted to institute a lot of changes to make the LSB relevant to her administration. On her first LSB meeting she saw to it that all the members share the same objectives and plans with her regarding education for Sipalaynons. At first, people were reluctant to talk to her because she is known to be strict as a Vice Mayor. Little by little they began to understand her intentions and real personality. She is frank and candid but is open to suggestions. Her office organized an LSB chat group on the Messenger so that anytime and anywhere, they can discuss and share their ideas without calling a formal meeting. This added to the improved relationship among LSB members. With this good working atmosphere the LSB is geared toward achieving their goals and more.

The new mayor accepts that their LSB is still on the developing stage. A lot of changes have to be instituted to make it responsive to the needs of the education sector. It is good that she started to expand the membership of the LSB, but more is still needed to infuse new ideas and introduce new approaches and innovations.

Innovations. One of Mayor Lizarez' priority is improving the education standard of public elementary schools in Sipalay. To begin with the city has partnered with Synergeia Foundation to help develop education reform programs that will improve academic outcomes of Sipalaynons.

The LSB started the expansion of its membership with the addition of an NGO and is still looking for more potential members within the community. They are having difficulty in finding additional members who are committed to education.

The 1st City Education Summit and School Governing Council orientation workshops were conducted last December 12, 2019. It was attended by major education stakeholders. The DepEd Division of Sipalay City presented the "State of Education." It was identified that reading and numeracy are the most common problems among the elementary pupils. The summit concluded with a plan and commitment from the stakeholders on steps to undertake.

During the summit, the mayor presented the city's thrusts and she mentioned education as a priority. She is implementing various programs in partnership with private sectors like Jollibee Foundation, Adarna Publishing and many others in the making. All geared towards improving the city's economy, health and well-being and education.

The School Governing Council was organized in every school to rally community support to education. Stakeholders were oriented on the role of the SGC and how it can muster support for the school. A regular monitoring and mentoring session was scheduled quarterly to assist SGCs performance and effectiveness.

On February 25, 2020 LSB Orientation and Mentoring was conducted by Synergeia mentors FGov. Lito and FVMayor Jay Jalandoni. Members of the LSB were oriented on their responsibilities using the Jesse Robredo model. They were introduced to the many advantages of having an expanded LSB.

Simultaneously, A Teachers' Training on Remedial Reading was conducted by Dr. Milwida Guevara, President and CEO of Synergeia Foundation. The teachers were taught on sounding correctly the letters of the alphabet and other basic methods to make a child read. Ma'am Nene emphasized that for children to learn the teacher must find ways to make learning fun. This will capture the child's attention.

To address the malnutrition problem, the city has also partnered with Jollibee Foundation for the citywide extensive feeding program. The city funded the construction of the central kitchen and organized the parent volunteers for food preparation. It is expected by the next opening of classes that all public elementary schools in the entire city will be covered.

Although not an LSB function but worth mentioning, to encourage more investors to stir the city's economy, they are exploring other private and business partners. This will help the city not just in education but in other areas as well. Negotiations to improve communication and banking services are on-going with PLDT Smart Communications and the banking sector like BDO, etc.



SEF Budgeting. The City Treasurer is responsible for the estimate of the SEF budget for the coming year. This is based on the previous year's collection plus the target set by the DOF Bureau of Local Government Finance. Once the treasurer is ready with the projected SEF, budget preparation begins. It starts from the school principals, reviewed and consolidated by the District Supervisors then submitted to Schools Division Superintendent. The final SEF budget is forwarded to the Office of the Mayor. The Budget Officer certifies to the availability of funds then the LSB deliberates and approves the SEF budget for the year.

The LSB acknowledges that they lack proper monitoring and evaluation of projects funded under the SEF. It is dependent on the reports of the City Engineering Office for infrastructure projects and the inspection and accomplishment reports submitted during liquidation by the project proponent or end-users. The SEF expenditure is being reviewed regularly by the Treasurer's Office. It is based on actual spending versus appropriation using the indicators such as percent of accomplishment, completion or progress of work versus timetable or program of work and actual delivery of goods, quality and specifications.

The LSB uses the School Improvement Plan (SIP) as basis for SEF budgeting. As a practice in the preparation of the SIP, the principals meet to discuss common priorities for the year. School needs that cannot be funded under the school's MOOE are charged to the SEF. Once the SEF budget is approved the LSB issues a resolution authorizing the mayor for the disbursement of the SEF. It is approved as whole but released on a monthly basis upon submission and approval of requests from the schools. The LSB per se does not directly monitor the expenses of the SEF. DepEd assigns a personnel that regularly reconciles with the Treasurer's Office the expenses and utilization of the SEF.

For the purpose of transparency, pertinent documents are posted in the schools' and the city's transparency boards. This is required by the Seal of Good Housekeeping which was initiated during the

time of Sec. Jesse Robredo. The general public is informed about the projects during turn-over ceremonies and school general assembly meetings and other activities with mass gatherings.

The SEF alone is not enough to respond to all the needs of the education sector. The mayor provides supplemental budget from the general fund to augment these deficiencies. The LGU has to develop mechanisms to improve real property tax collection to increase the SEF. The LSB is planning to conduct a campaign for tax awareness to parents in school and explain the importance of paying taxes honestly, regularly and where does it go.

Education Financing other than the SEF

Program/Activity	Amount	Source of fund
Honorarium of Teachers during training at the Maritime School facilitated by ANGKLA Party List	P390 Thousand	General Fund
Construction of School Buildings	P101 Million	General Fund
City Central Kitchen for Feeding	P2 Million	General Fund
Sports Uniform	P250 Thousand	General Fund
Scholarships,	P2 Million	General Fund
School Supplies, slippers	P2 Million	General Fund

The LSB is having problems with COA restrictions on the mayor's prerogative to allocate funds in support to education. The mayor recommends that they should be allowed more leeway to appropriate funds from the general fund for education and education related programs and activities. The LSB must be actively involved in the campaign to improve RPT collection. It must establish its own local monitoring and evaluation system and performance indicators to measure ROI.

The city has sought the help of Sec. Cimatu regarding the uncollected P93 million from the defunct Maricalum Mining Corporation. If collected this could mean more funds for education.

Argao: Doers of Change in Aid of education

Reinventing the Local School Board. Realizing that it takes a community to educate a child, the coastal town of Argao in the Philippines' central Cebu province expanded its Local School Board (LSB) and strengthened its School Governing Councils (SGCs) as part of reforms meant to boost the quality of learning. On top of what is mandated by the Local Government Code, Caminero added more members to the LSB, including principals, teachers, the SGC federation president, the municipal engineer and the program coordinator of Synergeia. He also sought partners like telecoms company Smart Communications and the Argao Learning Institution Association Inc. Partnerships with both state and private institutions were established to support its annual academic assessment program.

The LSB typically meets every month but it sometimes becomes fortnightly when urgent matters need to be addressed such as academic assessment and other issues relating to schools and calamities. It involves the participation of school representatives and proponents of the projects that will be undertaken, selected through a criteria-based process.

Performance Assessment. In 2016, Argao LSB initiated an annual academic assessment aimed at evaluating the performance of both learners and teachers and to identify the help that teachers need to achieve the standard 75 percent or higher performance level.

Top performers are recognized in the “Doers of Change Awards” recognized during the annual municipal education summit.

Resource management. The projects of the LSB are categorized into school-support infrastructure, capacity building of teachers and parents, scholarships, the Argao Annual Academic Assessment and the Doers of Change Awards for Education.

A review of the past financed projects is typically done and they are used as reference in the final selection of priority projects for the current year.

When the SEF allocation is approved, the typical local government rules on procurement are applied to LSB projects, such as the mandatory bidding for the construction and repair of school buildings.

There were some projects that failed to meet the completion target and other schools were delayed in submitting requirements for the release of the funds.

In 2019, around P5 million was budgeted for the municipal education program apart from projects and activities funded by the SEF. The Argao Tertiary Education Scholarship Assistance Program, the Argao Annual Academic Assessment, and Argao's Doers of Change Awards are initiatives by the mayor that helped strengthen the local government's partnership with the Department of Education and other organizations.

Caminero also allocated counterpart funding and support staff for programs that are implemented with partners like the Ramon Aboitiz Foundation Inc for school buildings and related infrastructure and Synergeia Foundation for technical, organisational and other support services.

The funding for these education initiatives came from the Trust Fund, Mayor's Office and the Maintenance and Other Operating Expenses fund.

For the Argao Annual Academic Assessment (4As) with the Doers of Change Award (2016-2019), a total of 22 public schools received various citations and awards for school and learning improvements. Two schools received the Platinum Award with a cash prize of P75, 000, 13 schools secured the Gold Award and a cash prize of P50, 000. The other seven school semi-finalists received P10, 000 each.

Hope for Sustainability. Caminero and his education management team were hopeful that the 4As project and awards will be sustained to continuously improve the performance of teachers and learners.

He also noted the important role of the SGCs and the Parents and Teachers Associations in the implementation of school improvement plans and is hopeful that the municipal federation will be strengthened.

He also recommended a Project Implementation Committee at the Department of Engineering for LSB projects to speed up completion and fund utilization.

Maribojoc: Sustaining education reforms beyond leadership change

The municipality of Maribojoc in the central province of Bohol is an example of how education reforms can be sustained to continuously benefit children even when there is a change in leadership in the local government.

In partnership with Synergeia Foundation, education was a top priority for Mayor Leoncio Evasco Jr. when he assumed office in 2007. His education reform agenda included child development, training teachers, improving infrastructure and mobilizing resources.

To execute this, he expanded the membership of the Local School Board (LSB) and established a social work and development officer for child and family welfare. He also hired a municipal health officer for child's health and a tourism and culture officer for culture and the arts for children; and ensured child protection and safety by the Philippine National Police.

A full-time project officer of the LSB was hired to take care of its day-to-day business and to mobilize resources for various education projects.

The education reforms led to the holding of a monthly arts and culture activity for the school children and participation in national scout training. Teachers were further trained in science and mathematics and science equipment were acquired.

There was regular monitoring of the condition of school buildings and facilities. The progress of students was closely assessed so they can maintain their high academic performance.

Mayor Evasco, who attended the annual national education summits organized by Synergeia, participated in the quarterly school district meetings and mid-year assessment meetings.

He was fully knowledgeable of the state of education in Maribojoc. He supported the various needs of the schools, the teachers and the students. He was always open to discussing education concerns and finding ways to address these concerns.

The most lasting impact of his leadership was the motivation and inspiration he gave to everyone in the school community to excel.

Taking over leadership role

Maribojoc had several top performing schools whose National Achievement Test scores ranged from 85% to 93%. A combination of factors accounted for this high performance: efficient teachers and principals, actively involved parents and a supportive local government unit, particularly the barangay councils.

When a new mayor took over in 2016, some of the reforms were discontinued initially - the expanded LSB reverted to its regular membership and the committees that were formed under the previous leadership no longer functioned.

The new local chief executive was later convinced to restore the expanded structure of the LSB, but while it met regularly, the mayor became merely a nominal head due to lack of interest and ability.

The School District Supervisor and the Municipal Planning and Development Coordinator took over the leadership role.

The school heads were united in their efforts to sustain the high academic performance of their schools. The District Supervisor closely mentored the teachers in every school especially in reading classes. Children were diligently coached and assessed by teachers and by volunteers in the community mainly from the School Governing Council (SGC).

Under Synergeia's guidance and support, SGCs were organized and strengthened through training. They became actively involved in helping schools in their projects and activities, improving school facilities and ensuring safety and security and improving the quality of education.

Parents were also trained on effective parenting, on how to instill good values in their children and how to encourage them to do well in both academics and extracurricular activities.

The experience of Maribojoc shows that reforms and successes can be sustained despite a change in leadership. In this case, the School District Supervisor and the Municipal Planning and Development Coordinator took over the responsibility of the local chief executive in pursuing education reforms.

Successes can be sustained if one builds and nurtures a strong team of school heads/principals determined to retain the high academic standing of their schools.

When one invests in building the capacity, knowledge, skills and values of the entire community to help the schools improve the quality of education and priorities students' welfare and well-being, reforms and successes can be sustained, even if leaders come and go.

SEF Budgeting in General Santos City

Education is a significant component of the Local Development Plan of General Santos City. It is a major tool on how the quality of life in the city can be enhanced. The LSB plays a critical role in this regard. It is tasked with the decision of identifying the Programs, Projects, and Activities (PPAs) that can attain this goal.

To make planning participatory, the membership of the city's Local School Board has been broadened through EO No. 57 series of 2017. The Board now includes the City Budget Officer, City Accountant, City Planning Officer and representatives from the NGO and business communities.

The LSB is provided with technical assistance by a Technical Working Group (TWG) that was created through Executive Order No. 58 series of 2017. The TWG is chaired by the Mayor's Executive Assistant for Education and its members include representatives from the DepEd, Planning and Development Office, City Accountant, Social Welfare and Development General Services and NGO. The LSB goes through several strategic planning sessions to evaluate performance of schools and children using data on participation, retention, and achievement. The LSB also looks at social indicators such as health.

The TWG makes a thorough review of the budget of the DepEd from the central government to ensure that expenditures of the LGU and those funded by the GAA do not overlap. The TWG organizes proposals and inputs from the School Improvement Plan into a budget for consideration of the Board. The LSB is likewise supported by the City Treasurer who holds a budget forum to explain nature and use of the SEF revenues.

The LSB goes through animated discussions. The members have a mandate from the Mayor to formulate a performance budget where all expenditures result into positive learning outcomes. One proposal that elicited a healthy debate was the purchase of television sets. Without an accompanying learning program, the LSB found it difficult to appreciate how the equipment can bring about a better learning performance.

The SEF budgeting follows the budget calendar of the LGU.

- January is devoted to analyzing how education can contribute to the total development of the city, and evaluating how the education sector performed in the past year.
- February is for prioritizing PPAs and consulting stakeholders.
- March is dedicated to the quantification of PPA into budgets and costs resulting into the formulation of the Annual Investment Plan (AIP).
- A budget call is made in June and the LSB conducts LSB deliberations.

Although the LSB budget is not submitted to the Local Sanggunian for legislation, the LSB submits it nonetheless for the budget of the city government to be seen and appreciated as a whole. Transparency is also promoted and local leaders and residents get a comprehensive view of local financing.

A separate Bids and Awards Committee has been for speedy and efficient procurement of SEF and Disaster Risk Reduction and Management projects. The creation of a special BAC under EO no. 4 in January 2019 is allowed under RA 9184.³⁶ Despite this, the LSB notes that hierarchical procedures can impede speedy procurement. Under the Procurement Law, many of the needed supplies and equipment have to be centrally purchased. This creates some time lags and activities cannot be undertaken as scheduled. Their recommendation center on the restrictions imposed by circulars from the national government agencies on the expenditures that the SEF can finance. There is no mention of spending for the Alternative System program (ALS), as assistance to students on times of emergency, and other local needs such as assistance to madaris. The need for clarifying what is meant by expenditures and sports development was likewise suggested.

³⁶ The EO on Special BAC took effect within a limited period.