

Good Governance and Management Reforms

Department of Budget and Management

29 January 2008

Outline of Presentation

- *Accomplishments*

- Embedding of Budgeting Reforms: *MTEF, OPIF*
- Formulation of Financial Management Manual
- Implementation of Rationalization Program
- Implementation of Government Quality Management Program
- Development of National Guidelines on Internal Control Standards (NGICS)
- Establishment of Internal Audit Service/Units (IAS/IAUs) in Departments/Agencies Concerned

- *Targets for 2008*

Embedding Budgeting Reforms

- Completed Paper on Budget Strategy and refined Forward Estimates (FEs) used for FY 2008 National Budget
- Cascaded OPIF to units/agencies/bureaus of 20 pilot Departments and Other Executive Offices (OEOs) under Office of the President
- 2008 OPIF Book on Performance Budget for submission to Congress

Updates on Governance Reforms

Formulation of Public Financial Management (PFM) Manual

- Mobilized consultants to assist in formulation of PFM manual
- Conducted FGDs with agencies to gather inputs
- Developed PFM Manual to clarify basic concepts, principles and paradigms shifts in PFM

Updates on Governance Reforms

Implementation of the Rationalization Program **(Net of Entities Exempted)** **As of 31 December 2007**

STATUS	DEPTS	OEOs/ OTHER AGENCIES	GOCCs	TOTAL	
				NO	%
A. Plans Submitted to DBM	19	27	36	82	76%
1. Approved	2	14	7	23	21%
1.1 Attached Agencies	4*			4*	
2. Being Evaluated (complete submission)	11	11	20	42	40%
3. Partial Submission	5	-	4	9	8%
4. Plan Returned for Revision	1	2	5	8	7%
B. Plan for Submission to DBM	1	1	24	26	24%
TOTAL	20	28	60	108	100%

* Rationalization Plan not counted individually; part of mother department's overall Plan

Updates on Governance Reforms

No. of Positions Abolished = 1,983
(funded: 1,833 items, unfunded: 150 items)

Total PS Savings Generated = P399 M
(funded items: P 375 M, unfunded items: P 24 M)

No. of Affected Personnel

Retired/Separated: 1,600

Redeployed to Other Agencies: 96

Benefits Paid to Affected Personnel = P159 M

Updates on Governance Reforms

Implementation of Government Quality Management Program (GQMP)

- *Issued AO 161, s. 2006 and EO 605, s. 2007 to institutionalize Quality Management Systems (QMS) in gov't*
- *Objectives of GQMP:*
 - a) Promote and enhance public sector performance through adoption of ISO 9001:2000 QMS in all agencies of gov't
 - b) Develop institutional infrastructure that shall provide certification with international accreditation
 - c) Recognize customer-driven gov't organizations that have demonstrated alignment to int'l standards
- *Created Government Quality Management Committee (GQMC) to formulate policies on and oversee implementation of GQMP*

Updates on Governance Reforms

Implementation of GQMP

- Completed Government Quality Management Systems Standards (GQMSS)
- Published IEC materials: GQMP brochure, ISO Guidebook
- Identified priority agencies for ISO certification:
 - a) **DTI** – business name registration
 - b) **SEC** – partnerships and corporations registration
 - c) **BIR** – e-TIN System
 - d) **SSS** – validation of employer-employee information and issuance of employer SSS number
 - e) **PHIC** – issuance of employer PhilHealth number
 - f) **CDA** – registration of cooperatives
 - g) **HDMF** - mandatory registration of employees

Updates on Governance Reforms

Implementation of GQMP

- Conducted 4th Annual Conference on ISO-QMS in October 2007
- Conducted ISO 9001:2000 orientation to DOTC top management
- Provided technical assistance to gov't agencies on ISO implementation: *TRB, PEZA, NHMFC, and DAP Pasig and Mindanao Offices*
- Conducted Certificate Courses on ISO 9001:2000 and on Effective Internal Quality Audit

Updates on Governance Reforms

Development of National Guidelines on Internal Control Standards (NGICS)

- Secured technical assistance from PEGR on development of NGICS
- Mobilized consultants to assist in NGICS formulation
- NGICS to be piloted in DBM and “big spending” gov’t agencies in 2008

Establishment of IAS/IAUs

- *IAS/IAUs* – assist management in achieving an effective and efficient fiscal administration and performance of agency affairs and functions, without intruding into authority and mandate of COA
- Included guidelines for establishment of IAS/IAUs in Rationalization Program's Organization and Staffing Standards and Guidelines

Targets for 2008

- **Make “irreversible” MTEF and OPIF**
 - ❖ **Pursue computerization of FEs for budget preparation**
 - ❖ **Expand OPIF implementation to SUCs, ARMM and agencies with fiscal autonomy (e.g., CSC, COMELEC, TJ)**
- **Publish PFM Manual and conduct a pilot executive training program on PFM**
- **Complete Rationalization Program**
- **Pursue ISO certification in priority G2C systems**
- **Pilot-test NGICS in DBM and big agencies**
- **Establish IAS/IAUs in departments/agencies concerned**

THANK YOU !