

DELINEATING PRIMARY AND JOINT RESPONSIBILITIES OF GOVERNMENT-WIDE SERVICE AGENCIES AND ESTABLISHING THE MECHANISM THEREOF

PRESIDENTIAL DECREE NO. 1376, May 16, 1978

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WHEREAS, various laws have granted specific and general mandate for government-wide service agencies to undertake activities relative to auditing, consultancy, training, and general management services;

WHEREAS, it is recognized that government-wide service agencies, in the performance of their main functions, have evolved their own distinct institutional expertise which should be given impetus within the context of a total systems approach for the efficient and effective conduct of government operations;

WHEREAS, there is a need to formulate policy guidelines which would maintain the comparative advantage, optimize the resources, and enhance the overall capability of the government-wide service agencies; and

WHEREAS, the setting up of institutional arrangements among government-wide service agencies is necessary to ensure coordination, avoid duplication of efforts and provide adequate emphasis to the critical areas of governmental administration;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree:

- DELINEATION OF PRIMARY RESPONSIBILITIES

SECTION 1. General Principle.—The primary responsibility of an agency shall refer to the major functions, activities, and authorities essential to the accomplishment of its basic goals and objectives as mandated by law or competent authority which distinguishes it from other agencies and serves as guide towards avoiding duplication or overlapping of functions.

The primary responsibility of government-wide service agencies shall serve as the main criterion in delineating their activities and in determining the principal agency which shall undertake specific service-wide functions: Provided, That primary responsibility shall not be interpreted to mean an exclusive and pre-emptive right: Provided, Further, That in case a service-wide agency conducts supportive or related activities they shall be undertaken in close consultation or jointly with the appropriate agency which has primary responsibility relative to said activities.

SEC. 2. Scope.—The government-wide service agencies shall refer primarily to the Commission on Audit, Civil Service Commission, Budget Commission, and other related or similar agencies concerned with specific activities as listed under Section 3 below.

SEC. 3. Specific Guidelines.—The primary responsibilities of government-wide service agencies with respect to the following activities among others, are hereby delineated and prescribed:

- Audits—In the conduct of performance or similar audits, the Commission on Audit shall have primary

responsibility for the examination and audit of financial transactions, accounts and reports; the Civil Service Commission for the inspection and audit of personnel management programs including personnel performance evaluation; and the Budget Commission for management audit, with emphasis on organization and staffing, methods improvement, resource utilization and cost benefit effectiveness.

- Management Consultancy—In the provision of management consultancy services, the functional delineation among government-wide service agencies as indicated in the immediately preceding paragraph shall be followed. In case, however, of contracts for management consultancy services, the provisions of Section 7 of this Decree shall apply.

- Training—In the conduct of non-degree training programs, the abovementioned functional delineation shall be observed. It is however, recognized that training is an integral function of any agency. The Commission on Audit shall have the primary responsibility for training in the field of accounting and auditing rules, procedures and related matters; the Civil Service Commission for general policies and overall coordination of training programs for government personnel without prejudice to the specialized role of the Career Executive Service Board relative to the training for senior level government executives; and the Budget Commission for budgeting, organization and management, compensation and classification and related management activities.

- Debt Recovery—The Office of the Solicitor-General shall have primary responsibility for the prosecution of collection and recovery cases that are referred to it by the Commission on Audit or other government agencies: Provided, That the Commission on Audit or the agency concerned shall have primarily responsibility for the institution of measures that would lead to the discovery and investigation of accounts and claims due the government, including the institution of such administrative actions as may be feasible, short of legal proceedings, either by itself or through the agency concerned, to secure collection and recovery thereof. Where legal action is deemed necessary, the Commission on Audit or the agency concerned shall gather all the evidence and papers pertinent thereto and refer the matter to the Office of the Solicitor-General for prosecution.

- Accounting—The Commission on Audit shall have primary responsibility for the issuance of accounting rules and regulations and for the technical supervision of accounting offices of government agencies with respect to the implementation of such issuances. The Budget Commission shall be responsible for the design, preparation and approval of accounting systems of government agencies. The National Computer Center shall have; primary responsibility for providing overall assistance or advice with respect to systems mechanization or computerization.

SEC. 4. Staffing Pattern.—The Commission on Audit and other independent constitutional bodies or agencies shall determine their respective staffing patterns in accordance with the abovementioned delineation of activities, subject to pertinent budgetary and compensation laws.

- COMMITTEE ON GOVERNMENT MANAGEMENT CONSULTANCY

SEC. 5. Creation.—In order to avoid duplication of activities and to promote consistency in the application of relevant national policy, a Committee on Government Management Consultancy hereinafter referred to as the Committee is hereby created under the Office of the President. The Committee shall be composed of the Presidential Executive Assistant or his representative from the Office of the President who shall serve as Chairman and with the heads or designated representatives of the Commission on Audit, Civil Service Commission, and Budget Commission as members: Provided, That the Chairman of the Presidential Commission on Reorganization and the Managing Director of the NCC may attend meetings of the Committee where required as may be determined by the Committee: Provided, Further, That the Committee shall call upon the heads or representatives of affected agencies as may be necessary, to facilitate the conduct of its work on specific matters.

SEC. 6. Functions.—The Committee shall perform the following powers and functions:

- Process and approve, or refer to the appropriate government-wide service agency for appropriate action, management consultancy services of government agencies with other government or private institutions in accordance with the provisions contained in Section 7 of this Decree: Provided, That processing and approval shall be related only to the determination of the appropriateness, suitability or capability of the supplier firm or parties contracted to provide said services;
- Recommend such modifications as may be necessary in the terms and conditions of the contract for management consultancy services pursuant to the conditions stated in the immediately preceding paragraph;
- Institute individually or jointly, such measures, as may be necessary to improve the in-house capability of government-wide service agencies to meet the management consultancy requirements of the government;
- Recommend to the President policy measures as would optimize the government's utilization of management consultancy services; and
- Perform such other functions as may be assigned to it by competent authority.

SEC. 7. Rules Governing Management Consultancy Services.—Management Consultancy Service shall refer to contracts with government or private institutions for services to undertake studies relating to finance, personnel, and management systems the results of which are recommendatory to the agency concerned. In addition to whatever supplementary rules which the Committee may promulgate, the following shall govern the processing of contracts for management consultancy services:

- Proposed contracts which are internal to the government or where the parties involved are all government agencies and concern only a specialized field shall be directly forwarded by the user agency for processing and approval to the relevant government-wide service agency in accordance with the functional specialization as delineated in Section 3 above: Provided, That if a contract involves several functional fields it shall be referred to the Committee for processing and approval;
- Proposed contracts which involve private firms or institutions regardless of whether they concern a specialized field or not, shall be forwarded to the Committee for processing and approval: Provided, That in all cases, the evaluation of contracts shall be in accordance with the provision of Section 6(a) of this decree relative to the appropriateness of the contracted firm or party.

SEC. 8. Exemptions.—The following contracts for management consultancy services are exempt from the provisions of this decree:

- Contracts with private individuals in their personal capacity and not in representation of a partnership or firm;
- Contracts involving an amount of less than P50,000.00: Provided, That a series of contracts with the same firm on related matter shall be considered as one contract;
- Contracts involving non-profit private or public research or educational institutions, whether as users or suppliers of management consultancy services; and
- Contracts arising out of bilateral or multilateral external assistance programs of the government where such contracts are part of the assistance program.

SEC. 9. Staff Support.—The member agencies of the Committee shall contribute such resources as may be necessary for its operations.

- GENERAL PROVISIONS

SEC. 10. Repealing Clause.—All laws, decrees, charters, executive orders, administrative orders, proclamations, rules and regulations or parts thereof that are in conflict with this decree are hereby repealed or modified accordingly.

SEC. 11. Effectivity.—This decree shall take effect immediately.

Done in the City of Manila, this 16th day of May, in the year of Our Lord, nineteen hundred and seventy-eight.

(Sgd.) FERDINAND E. MARCOS
President of the Philippines

By the President:

(Sgd.) JUAN C. TUVERA
Presidential Assistant

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