

Republika ng Pilipinas  
(Republic of the Philippines)  
MINISTRI NG EDUKASYON AT KULTURA  
(MINISTRY OF EDUCATION AND CULTURE)  
Maynila

March 21, 1979

MEC ORDER  
No. 16, s. 1979

A MEC MANAGEMENT AUDIT AND IMPROVEMENT  
PROGRAM COMMITTEE

To: Bureau Directors  
Regional Directors  
Cultural Agency Director  
Chiefs of Services and Heads of Units  
Coordinator, State Colleges and Universities  
Schools Superintendents

1. Pursuant to Letter of Instruction No. 802, dated February 8, 1979, copy inclosed, a Management Audit and Improvement Program Committee is created in the Ministry of Education and Culture, which shall report directly to the Minister and shall be responsible for the implementation of the activities enumerated in paragraph 2 of the said LOI. The members of this Committee are as follows:

Deputy Minister of Education and Culture	- Chairman
Assistant Secretary (Finance and Management)	- Vice-Chairman
Assistant Secretaries	- Members
Directors of Staff Bureaus and Cultural Agencies	- Members
Regional Director, MEC National Capital Region	- Member
Executive Director, EDPITAF	- Member
Management and Audit Chief	- Member and Head, Secretariat and Technical staff

2. The MEC Management Audit and Improvement Program Committee shall be assisted by a secretariat and technical staff to be composed of Management and Audit Division personnel and such other personnel as may be drawn from various offices in the Ministry.







3. In this connection, Management and Audit Improvement Program Sub-Committees should be created in the staff bureaus, cultural agencies, and regional offices, to be headed by the Assistant Directors, to assist the MEC MAIP Committee in the performance of its functions.

4. The MEC Management and Improvement Program Committee is, among other things, hereby authorized to conduct a comprehensive management audit of the agencies and offices, under the Ministry, as often as required, and to report to the Minister of Education and Culture not later than thirty days after the completion of such audit.

5. MEC Order No. 45, s. 1978, dealing on the organization of an Ad-Hoc Management Service in the Ministry of Education and Culture is hereby rescinded.

6. Please be guided accordingly.

(SGD.) JUAN L. MANUEL  
Minister of Education and Culture

Incl.:

As stated

Reference:

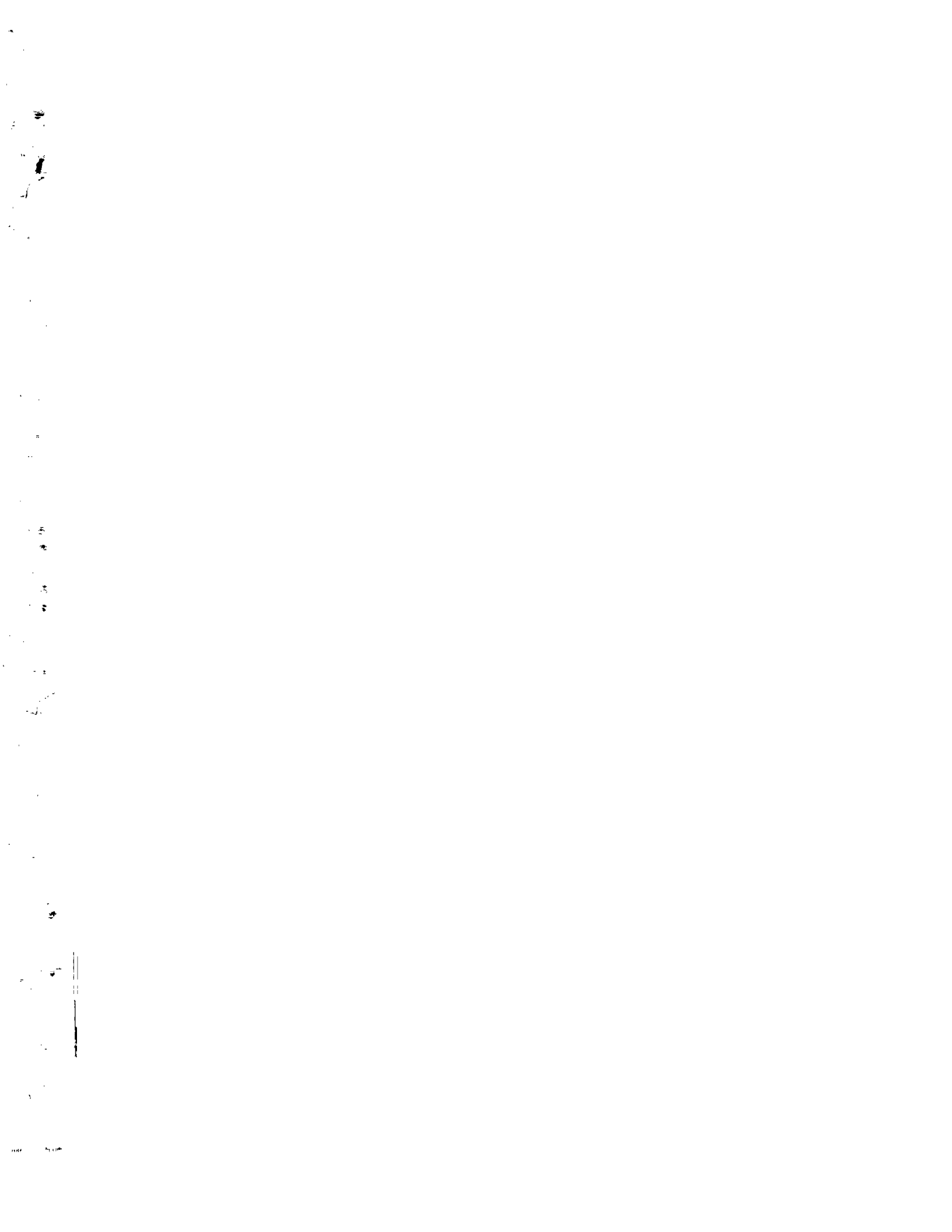
MEC Order: (No. 45, s. 1978)

Allotment: 1--(D.O. 1-76)

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

BUREAUS & OFFICES  
COMMITTEES  
OFFICIALS  
LEGISLATION  
REPORT









MALACATAN  
Manila

LETTER OF INSTRUCTION NO. 302

INITIATING A MANAGEMENT AUDIT AND IMPROVEMENT PROGRAM  
IN THE NATIONAL GOVERNMENT

T O : All Ministers and Heads of Bureau/Office/Agency  
of the National Government, including government  
owned or controlled corporations  
The Minister of the Budget  
The Chairman, Civil Service Commission  
The Chairman, Commission on Audit

WHEREAS, there is a need to review and evaluate on a continuing basis, the performance of each government agency in the light of its assigned tasks and responsibilities;

WHEREAS, the management audit and improvement activities of government agencies have to be revitalized and their results identified and implemented;

WHEREAS, in order to ensure the proper delivery of services by government agencies, effective organizational systems and operational procedures have to be designed, installed and evaluated;

WHEREAS, it is necessary to clarify roles, responsibilities and functional relationships of agencies concerned in relation to performance accountability and measurement;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by law, do hereby Order and Instruct all agencies of the Government to design and conduct a Management Audit Improvement Program:

1. Performance Responsibility. - Agency heads shall have principal responsibility for the performance of their respective agencies and personnel:

a. Ministers shall be responsible for the performance of the Bureaus/Offices/Agencies forming part of their Ministries.

b. The Governing Boards of government owned or controlled corporations shall have responsibility over general strategy and policy of corporations, while Presidents or General Managers shall have responsibility over their offices' operating performance.







2. Scope of Management Audit and Improvement Program. - The Management Audit and Improvement Program (MAIP) shall cover the following activities:

a. identification of indicators of performance, definition of specific approved target levels of accomplishment, monitoring of actual results, and recommendation of corrective measures;

b. design and implementation of a performance evaluation and monitoring system that will enable, among others, monitoring and measurement of actual performance results and their comparison with target performance;

c. design and implementation of a management information system for the Ministry and its component parts or for the government corporations that will generate performance information for the guidance of the President, the Minister/Governing Board/President or General Manager, and the various agency heads;

d. design, installation, monitoring and evaluation of effective and efficient organizational and operational systems and procedures that are consistent with the law; and

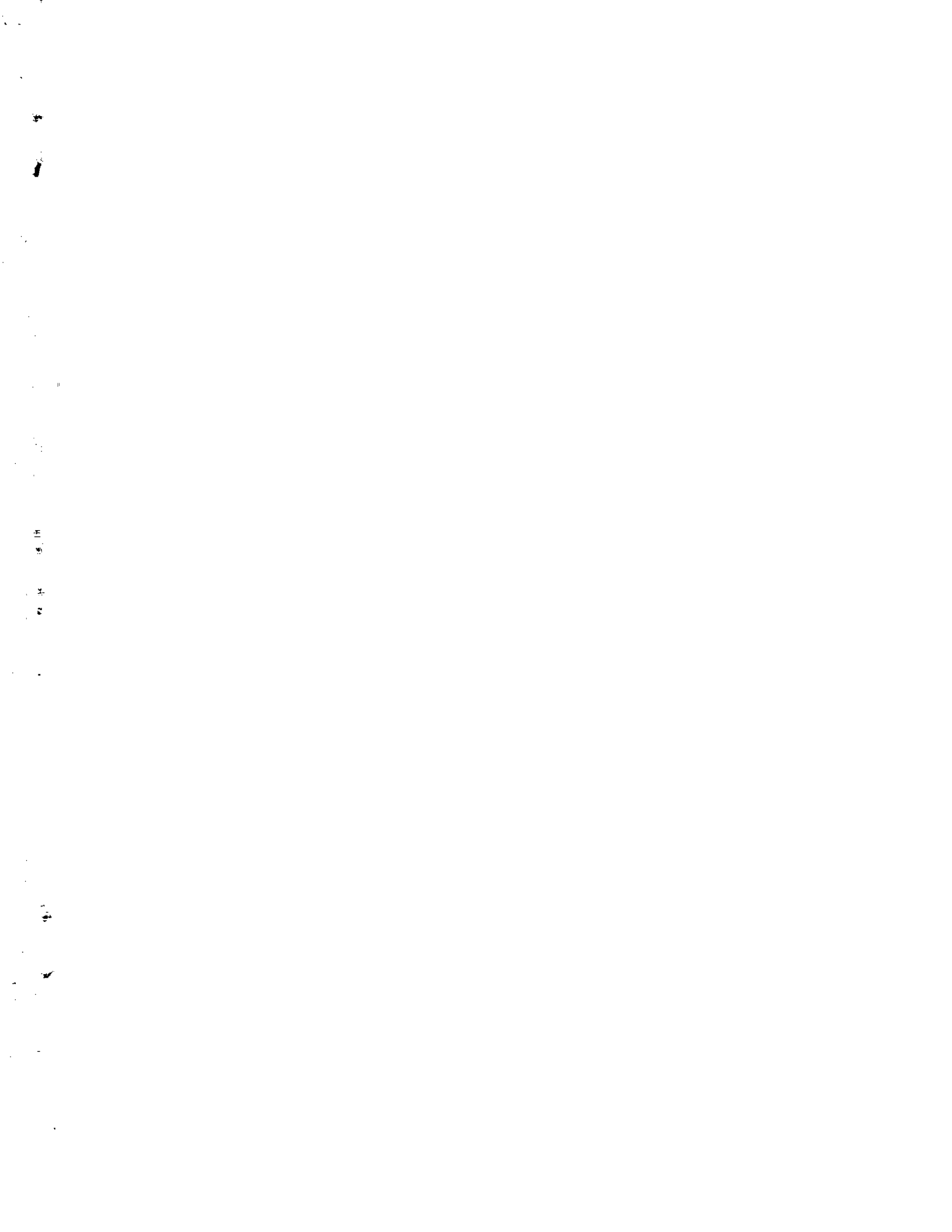
e. conduct of periodic management audits and recommendation of workable measures that shall continually improve the operations of the Ministry/Agency/Government Corporation.

3. Organization. - A Management Audit and Improvement Program Committee report directly to the Minister/Governing Board shall be created in each Ministry/Government Corporation. The Committee shall be responsible for the implementation of the foregoing activities. For technical and secretariat staff services, the Committee shall utilize the Management Division of the Financial and Management Service of the Ministry or the equivalent office in the case of a Government Corporation, and/or other existing offices performing the foregoing activities.

4. Detail Assignment, Recruitment, Appointment and Training of Personnel. - If the Ministry/Agency/Government Corporation lacks the qualified personnel that are needed to undertake the MAIP, the Ministry/Agency head may arrange for the detail, assignment or hiring of qualified personnel.

5. Initial Thrusts of the MAIP. - The MAIP Committee shall assist the Head of Office in identifying and solving specific problems areas which can result in immediate, perceptible









improvements in the Ministry's/Agency's/Government Corporation's operations and service to the public.

Primary emphasis shall be as follows:

a. The Minister of Trade shall further simplify export procedures and documentation under P.D. No. 930 and shall review the benefits and feasibility of Philippine Centers.

b. The Minister of Public Works, Transportation and Communications shall institute faster and more efficient mail delivery services; establish telephone lines throughout the country, particularly in key cities and towns; improve motor vehicle registration and drivers licensing; and set-up efficient maintenance service systems.

c. The Minister of Finance shall effect the immediate and expeditious release of goods from the Bureau of Customs.

d. The Minister of Public Highways shall improve the maintenance of roads and bridges and shall more effectively direct the upkeep and scheduling of the use of roads equipment.

e. The Minister of Health shall improve the system for the selection, purchase and delivery of drugs and medicines for the regions.

f. All ministries, heads of bureaus and offices and governing boards of government-owned or controlled corporations shall identify and improve specific aspects of their Offices, services and operations that critically affect the public and the performance of the economy.

6. Coordination and Inter-Agency Linkage. - The Management Audit and Improvement Program shall be coordinated by the Ministry of the Budget, Commission on Audit, Civil Service Commission, and the University of the Philippines, who shall be assigned the following areas of responsibility:

a. Ministry of the Budget:

i. provide technical support and consultancy services needed by each Ministry/Agency/Government Corporation in the conduct of the MAIP;







- ii. review cost-effectiveness of agency operations, management information systems requirements, and operating systems and procedures of ministries/agencies/government corporations;
- iii. monitor and review the management improvement work of the MAIP Staffs and recommend measures to improve it; and
- iv. create the needed Task Force and MAIP monitoring staff and engage, if necessary, the services of consultants both from the public and private sectors for the foregoing purposes.

b. Commission on Audit - responsible for the review of financial transactions, ensuring their proper authorization and that funds are utilized for the intended purposes.

c. Civil Service Commission - responsible for the review of the efficiency of individual employees in the government, the design of personnel evaluation policies and procedures that are supportive of the overall objectives of the organization; and the setting up of qualification standards and screening procedures for the MAIP Staff.

d. University of the Philippines - through the Management Education Council, responsible for providing the training needs of the MAIP Staffs of the Ministries/Agencies/Government Corporations.

Whenever necessary, support shall be solicited from individuals and organizations engaged in management consultancy, systems, and systems analysis both from within and outside the government service.

**7. Reports.** - At the end of the first quarter of each calendar year, the MAIP Staff shall submit to the Minister a report with recommendations on their Ministry's/Agency's performance. The report shall be submitted to, reviewed and consolidated by the Ministry of the Budget prior to submission to the President (Prime Minister).

All Ministries/Agencies shall submit to the President (Prime Minister), through the Ministry of the Budget, an initial report on their Management Audit and Improvement Program on or before April 30, 1979. The report shall include recommendations and plan of actions that will improve the efficiency and effectiveness of their operations, and corrective measures already pursued as of that date.









8. Funding. - Authority is hereby granted the Minister of the Budget to release the amount of three hundred thousand pesos (P300,000.00) out of the Special Activities Fund under B. F. No. 1 for the initial funding requirements of the Task Force and the Management Audit and Improvement Program.

Done in the City of Manila, this 8th day of February, in the year of Our Lord, nineteen hundred and seventy-nine.

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

A true copy





