

Republika ng Filipinas
(Republic of the Philippines)
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)
Manila

July 1, 1988

DECS O R D E R
No. 58, s. 1988

ABOLISHING THE GENERAL SERVICES ADMINISTRATION AND TRANSFERRING
ITS FUNCTIONS TO APPROPRIATE GOVERNMENT AGENCIES

To: Undersecretaries
Assistant Secretaries
Bureau Directors/Cultural Agency Directors
Regional Directors
Schools Superintendents
Chief of Service and Heads of Units/Centers
Presidents, State Colleges and Universities
Vocational School Superintendents/Administrators

1. Attached is a copy of Executive Order No. 285 abolishing the General Services Administration and transferring its functions to appropriate government agencies.
2. Also inclosed is a memorandum of the Secretary of General Services Administration explaining the rationale for Executive Order No. 285.
3. As the Offices and Bureaus in the abolished General Services Administration have something to do with the functions of the Department of Education, Culture and Sports, it is desired that Executive Order No. 285 be disseminated to officials, teachers and school employees for their information and guidance.

(SGD.) LOURDES R. QUISUMBING
Secretary

Incls.:
As stated

Reference:
None

Allotment: 1-2-3-4--(M.O. 1-87)

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

BUREAUS & OFFICES
LEGISLATION
OFFICIALS

RULES & REGULATIONS
TEACHERS
TRANSFER

(Inclosure No. 1 to DECS Order No. 58, s. 1988)

MALACANANG
Manila

EXECUTIVE ORDER NO. 285

ABOLISHING THE GENERAL SERVICES ADMINISTRATION
AND TRANSFERRING ITS FUNCTIONS TO
APPROPRIATE GOVERNMENT AGENCIES

WHEREAS, it is the policy of the government to promote economy, efficiency and effectiveness in the delivery of public services;

WHEREAS, the successful performance by line departments and agencies of their mandated tasks can only be assured if auxiliary services are likewise adequately provided;

WHEREAS, in line with the principles of decentralization, autonomy and accountability, general services functions pertaining to building and real property management and supply coordination should be integrated with the regular responsibilities of government agencies having related functions;

WHEREAS, it is desirable to continue centralized coordination of records management and archival functions; and

WHEREAS, the need for an effective government printing and publication system requires the rationalization of all related existing resources of the government;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:

Declaration of Policy. It is hereby declared a policy of the State that, in line with the principles of decentralization, autonomy, accountability and organization of the use of existing resources of the government, the conduct of certain general administration functions be vested in the appropriate government agencies.

Part I
REORGANIZATION ACTIONS

Section 1. Abolition of the General Services Administration
The General Services Administration, hereunder referred to as the Administration, and its Building Services and Real Property Management Office and Supply Coordination Office are hereby abolished and their functions transferred to other agencies/entities in accordance with specific provisions of this Executive Order.

Such transfer shall include applicable appropriations, records, property and equipment, and such personnel as may be necessary.

Section 2. General Services Administration (Proper). The formulation, promulgation and execution of policies, rules and regulations on the performance of common administrative services, namely: building and real property management and supply coordination, are hereby transferred to the appropriate agencies specified in the succeeding sections.

Section 3. Building Services and Real Property Management Office. The functions of the Building Services and Real Property Management Office are hereby transferred, as follows:

1. To the Department of Public Works and Highways.
 - a. Overall custody and administration of government buildings, including development of criteria and standards on building services, allocation of government buildings to agency-users, and related activities;
 - b. Conduct of researches, studies and surveys to determine the space requirements of the government; need for maintenance, repair and alteration/improvement of buildings and grounds; and allocation of new buildings;
 - c. Inventory, inspection, appraisal and determination of the value of buildings owned by the national government;
 - d. Development of guidelines, criteria and standards on the reasonableness of rental rates in privately-owned buildings leased to government offices and vice-versa;
 - e. Disposal of government-owned buildings;
 - f. Determination of damage caused by natural calamities to government properties for purposes of insurance claims;
 - g. Designation of the building administrator for each government building.
2. To the Department of Environment and Natural Resources.
 - a. Custody and administration of commercial, industrial and urban properties under the management of the abolished Building Services and Real Property Management Office;
 - b. Sale, lease, rental or transfer of these commercial, industrial and urban lands.
3. To the Systems and Procedures Bureau, Department of Budget and Management

Development of standards and guidelines on office space allocation and the provision of janitorial, security, messengerial and other "housekeeping" services.

4. To the Building Administrator Designated by the Department of Public Works and Highways.

(occupant or any of the occupants of the building)

Allocation of office space in the building for use by government agencies; subject to the standards and guidelines developed by the Systems and Procedures Bureau, Department of Budget and Management.

5. To the Occupants of Government Buildings.

- a. Day-to-day custody and administration of government buildings, including allocation of office space and rental of excess office space to private users, ordinary repair and maintenance, and related activities;
- b. Provision of janitorial, security, messengerial and other "housekeeping" services, subject to the standards and guidelines developed by the Systems and Procedures Bureau, Department of Budget and Management.

Section 4. Supply Coordination Office. The functions of the Supply Coordination Office are hereby transferred, as follows:

1. To the Procurement Service, Department of Budget and Management.

- a. Operation of a government-wide procurement system for common-use office supplies;
- b. Monitoring of prices for common-use supplies, materials and equipment.

2. To the Systems and Procedures Bureau, Department of Budget and Management.

- a. Development of standards and specifications for common-use supplies, materials and equipment, in coordination with the Bureau of Products Standards of the Department of Trade and Industry and the Industrial Technology Development Institute of the Department of Science and Technology;
- b. Design of an integrated supply management system for government;
- c. Conduct of continuing studies designed to establish and maintain an improved purchasing system for government that would also serve as guide to agencies.

3. To the Different Line Departments and Agencies.

- a. Procurement of supplies, materials and equipment peculiar to their operations;
- b. Disposal of supplies, equipment and materials which are obsolete, forfeited, abandoned and surplus to their needs, subject to guidelines developed by the Systems and Procedures Bureau of the Department

The Procurement Council created under LOI 755 dated October 18, 1978 is hereby abolished. Its functions pertaining to standards setting and policy guidelines formulation are transferred to the Systems and Procedures Bureau, Department of Budget and Management.

To expedite disposal of unserviceable equipment and property, the Disposal Committee created in each Department and agency under Executive Order No. 888, dated March 18, 1983, is hereby reconstituted, as follows:

Representative of:

Owning Department of agency	Chairman
Department of Budget and Management	Member
Commission on Audit	Member

Section 5. Records Management and Archives Office. The Records Management and Archives Office, including its applicable appropriations, personnel, equipment, property, records and archival collections, is hereby transferred and attached to the Department of Education, Culture and Sports as a cultural agency.

The Secretary of Education, Culture and Sports is hereby authorized to reorganize the Office in consultation with and subject to the approval of the Department of Budget and Management, within one hundred twenty (120) days from the approval of this Executive Order.

Section 6. Creation of the National Printing Office. There is hereby created a National Printing Office out of the merger of the Government Printing Office and the relevant printing units of the Philippine Information Agency. The Office shall have exclusive printing jurisdiction over the following:

- a. Printing, binding and distribution of all standard and accountable forms of national, provincial, city and municipal governments, including government corporations;
- b. Printing of official ballots;
- c. Printing of public documents such as the Official Gazette, General Appropriations Act, Philippine Reports, and development information materials of the Philippine Information Agency.

The Office may also accept other government printing jobs, including government publications, aside from those enumerated above, but not in an exclusive basis.

The details of the organization, powers, functions, authorities, and related management aspects of the Office shall be provided in the implementing details which shall be prepared and promulgated in accordance with Section II of this Executive Order.

This Office shall be attached to the Philippine Information Agency:

Part II
MISCELLANEOUS PROVISIONS

Section 7. New Structures and Staffing Pattern. Upon approval of this Executive Order, the officers and employees of the abolished General Services Administration and its Offices shall, in a hold-over capacity pending implementation of the reorganization, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits.

The new position structure and staffing pattern relative to the transferred functions shall be approved and prescribed by the Secretary of Budget and Management in consultation with the heads of the recipient agencies within one hundred twenty (120) days from the approval of this Executive Order and the authorized positions created thereunder shall be filled with regular appointments by the agency heads or by the President as the case may be. Those incumbents whose positions are not included therein or who are not reappointed shall be deemed separated from the service. Those separated from the service shall receive the retirement benefits to which they may be entitled under existing laws, rules and regulations. Otherwise, they shall be paid the equivalent of one month basic salary for every year of service, or the equivalent nearest fraction thereof favorable to them on the basis of highest salary received, but in no case shall such payment exceed the equivalent of twelve (12) months salary.

Section 8. Notice or Consent Requirement. If any organizational change herein authorized is of such substance or materiality as to prejudice third persons with rights recognized by law or contract such that notice to or consent of creditors is required to be made or obtained pursuant to any agreement entered into with any such creditors, such notice or consent requirement shall be complied with prior to the implementation of such reorganizational change.

Section 9. Prohibition Against Change. No change in the organization herein prescribed shall be valid except upon prior approval of the President for the purpose of promoting efficiency and effectiveness in the delivery of public services.

Section 10. Funding. Funds needed to carry out the provisions of this Executive Order shall be taken from funds available in the GSA and its four bureaus.

Section 11. Implementing Authority of the Secretary of Budget and Management. The Secretary of Budget and Management, in consultation with the heads of the respective agencies, shall issue such rules, regulations and other issuances as may be necessary to ensure the effective implementation of the provisions of this Executive Order.

Section 12. Separability. Any portion or provisions of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portions can still subsist and be given effect in their entirety.

Section 13. Repealing Clause. All laws, ordinances, rules, regulations, other issuances or part thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

Section 14. Effectivity Clause. This Executive Order shall take effect immediately upon its approval.

APPROVED in the City of Manila, Philippines, this 25th day of July, in the year of Our Lord, Nineteen Hundred and Eighty Seven.

(SGD.) CORAZON C. AQUINO
President of the Philippines

By the President:

(SGD.) JOKER P. ARROYO
Executive Secretary

A true copy

(Inclosure No. 2 to DECS Order No. 58, s. 1988)

Republic of the Philippines
GENERAL SERVICES ADMINISTRATION
Philcomcen Bldg. Ortigas Avenue
Pasig, Metro Manila

July 29, 1987

MEMORANDUM for -

The Officials and Employees of the General Services
Administration and Its Component Offices

Subject: Rationale for the Abolition of the General Services
Administration and the Transfer of Its Functions
and Personnel to Appropriate Agencies.

On July 3, 1987, during a meeting with the top management officials of the General Services Administration (GSA) and its Offices, I announced my decision to accept a recommendation for the abolition of the General Services Administration. Said recommendation was made by a Technical Team composed of management specialists from the Department of Budget and Management and endorsed by the Committee on the GSA Reorganization Study created pursuant to GSA Office Order No. 2450 dated April 24, 1987.

Suffice it to say at the outset that my decision was based purely on technical considerations as presented in the report of the technical team and endorsed by the study committee. I might add that the petitions for reconsideration made by the various offices have been considered and as a result some of the original recommendations have accordingly been modified. In order therefore to avoid any possible misconceptions as to the reason behind the abolition and to clarify the issues involved, I have deemed it proper to issue this general memorandum to inform all the officials and employees of the GSA of the rationale for the abolition of the GSA, as follows:

1. The GSA, originally established as a Department of General Services in 1958, has failed to achieve the purpose for which it was established. Past and recent assessments of its operations conducted by the Management Service of the Budget Commission (1962), by the Presidential Commission on Reorganization (1970), and by the Presidential Commission on Government Reorganization (1986) have invariably indicated that operational deficiencies which remained uncorrected through the years have worked to render the GSA ineffective. This has been confirmed by the latest study which was conducted by the study committee created under GSA Office Order No. 2450.

Thus, the twenty-nine-year operational experience of the GSA, has clearly revealed a condition which made it extremely difficult to satisfy both the substance and the form for its original establishment. The very rationale for its creation, that of centralizing responsibility for basic "housekeeping" services throughout the government in order to attain greater economy and efficiency in the performance of these "housekeeping" functions, has not been realized.

2. There has been a steady erosion of the powers and functions of GSA. These pertain to: (1) the transfer of the function of repair and maintenance of government buildings and the development of the Government Center Complex to the DFWH; (2) the procurement of supplies and materials

which is now shared with the Procurement Service of DEN; (3) printing services which are now shared with APO Production Unit, PLA printing facility and CE Security Printing Plant; and (4) disposal of unserviceable equipment which has been decentralized to the various agencies. The perceived ineffectiveness of GSA has been attributed to this erosion of vital GSA functions.

3. There have been profound changes in the administrative and organizational environment since the GSA's creation in 1958 which would warrant a re-examination of the centralized "housekeeping" role of GSA. For instance, the establishment of Systems and Procedures Bureau in the DEN has emphasized its expanded concern to play an even more active role to achieve better management of government operations (including housekeeping activities) through the judicious use of resources. Demonstrative of this are its current expanded involvement in systems and procedures improvement (with the creation of a Systems and Procedures Bureau in the DEN) and the operation of its Procurement Service. In another instance, there has been a change in the pervading auditing outlook which the Commission on Audit has over the years evolved, in response to the urgency of the nation's economic recovery and ultimate progress, which makes it more responsive to its basic role as the "guardian" or "watchdog" of the proper use of resources.

4. Since the creation of the GSA, the size of the governmental machinery has grown tremendously and government operations have become more complex. The centralized provisions and administration of general services activities is no longer effective within this operational context.

5. The principle of maintaining departmental accountability as an enunciated policy of the new government implies the maximum decentralization to the agencies of responsibility for the conduct of operations, including housekeeping activities, with the necessary control. More and more, there is now need for the agencies to assume greater responsibility in the conduct of general services functions that could facilitate the attainment of agency targets/goals.

6. The principle of "deregulation", which is a concurrent basic thrust of the new government to complement departmental accountability, has made it necessary to re-examine the heavily control orientation into which GSA operations had evolved with respect to individual agency transactions. Ideally, regulations should generally partake only of the nature of establishing policies, standards and guidelines, with the individual agencies having the maximum latitude to act on individual cases.

7. Taken together, the changes and conditions discussed above and many more in the prevailing administrative setting have all come to bear heavily upon the very rationale for establishing and maintaining the GSA and its component units the way they are.

8. Thus, in the face of these adverse developments, not even the best efforts exerted by my worthy predecessors could stem the tide and contain the gradual but steady erosion of the powers of the GSA which has led to its present ineffectiveness.

Building Services and Real Property Management

In the particular case of the Building Services and Real Property Management Office (BSRPMO), the emasculation of its original authority caused by the transfer of DPM of its functions relative to the repair and maintenance of government buildings (under EO 710) and the development of the government center complex (under LOI 473) has left it with only the major responsibility of custody and administration of government buildings and real property. It would be more efficient and economical if the administration of government buildings were also transferred to DPM since said function is a related complementary activity, while the administration of real property and landed estates can be assumed by the Lands Management Bureau of the Department of Environment and Natural Resources which has the expertise and administrative resources to undertake said functions.

Supply Coordination Office

In the case of the Supply Coordination Office, the diminution of its authority as the central procurement agency of the government, with the establishment of the Procurement Service of DEM (which is now the more effective central procurement arm of the government), and the decentralization of its powers with respect to the disposal of unserviceable equipment and property, together with the discontinuance of the accreditation of suppliers and the SOO system, leaves it with little to do save for the development of standard specifications and price monitoring. With the establishment of the Systems and Procedures Bureau (SPB) of DEM, this Bureau can very well take over responsibility for designing an integrated supply management system and the development of standards and specifications. The Procurement Service, also of DEM, can fully assume the operation of a government-wide procurement system for common-use items and for price monitoring. As a general rule, procurement activities shall be decentralized to the agencies subject only to policies and guidelines to be established by SPB (DEM) and the usual audit jurisdiction of COA.

Records Management and Archives Office

With regards to the Records Management and Archives Office (RMAO), after further review and study, a reconsideration of the original recommendation for its abolition has been made. It is perceived that there is still validity in maintaining centralized coordination of records management and archival functions and maintain the administration of the records function cycle as a continuum from records creation to records disposal. The Office, however, is recommended to be attached as a cultural agency of DECS, in view of its precious archival collections that have lasting historical and cultural value.

Government Printing Office

The original decision to abolish the Government Printing Office and completely privatize the contracting of government printing jobs has also been reconsidered. There is still a perceived need for government to maintain an inhouse central printing capability principally for purposes of printing accountable and standard government forms and official ballots (which need to be controlled), as well as selected government publications such as the Official Gazette. Besides, the GPO has been able to present cost-related data and figures indicating that GPO can be made viable and self-sustaining. Such central printing capability, with its limited printing jurisdiction, is not intended to compete with the private sector.

Government printing jobs, save for those mentioned above, shall be privatized. However, instead of retaining GPO "as is", the recommendation is to merge it with the printing facility of the Philippine Information Agency (PIA) to form a new office, the National Printing Office, to be attached to PIA for general supervision.

We will endeavor to minimize the adverse impact of the reorganization on the personnel of GSA. In this regard, we wish to inform you that a provision has been included for the transfer of such personnel as may be necessary to the agencies that are recipients of transferred functions; this will result in the absorption of a good number of the present personnel of GSA and its Offices. Moreover, for those who may have to be laid off, we will make representations with the proper authorities for the early and full payment of their retirement and/or separation benefits provided for in the Executive Order.

Finally, I would like to manifest to you that the decision to abolish the GSA and transfer and decentralize its functions and most of its personnel to other appropriate agencies, has been a painful one to make. But, for the compelling reasons given above, and in the interest of economy, efficiency and effectiveness in government operations, it just could not be avoided. Taking everything into consideration, I trust that you will understand why the action had to be taken.

(SGD.) JOSE P. DE JESUS
Secretary

A true copy