



DOST Administrative Order No. 013
Series of 2021

SEP 23 2021

Subject: AMENDMENTS TO THE DOST ADMINISTRATIVE ORDER NO. 011, SERIES OF 2020, otherwise known as the "GUIDELINES FOR THE GRANTS-IN-AID (GIA) PROGRAM OF THE DEPARTMENT OF SCIENCE AND TECHNOLOGY (DOST) AND ITS AGENCIES"

To update the existing GIA guidelines in line with recent directives of the DOST-Executive Committee (EXECOM), DOST Administrative Order No. 011, Series of 2020, is hereby amended to revise specific provisions as stated below:

1. On Section IV. Definition of Terms to define the following terms:

Automatic Suspension - temporary cessation of program/project activities caused by late renewal of the project, *i.e.*, if approval of the continued funding of an ongoing or multi-year program/project has not been sought prior to the end of the active project period;

Deferred Implementation – temporary cessation of program/project activities due to force majeure;

Project Duration – the total period a program/project shall be implemented;


Force Majeure – events which could not be foreseen, or which, though foreseen, are inevitable; may include “acts of God” such as natural occurrences, calamities, earthquakes, floods, typhoons, or “acts of Man” such as strikes, warfare, riot, and other causes as may be determined by the Monitoring Agency;

Use of Unexpended Balance (UB) – authority to use the remaining project funds which shall be deductible in the budget for the succeeding year;

Carry-over of Unexpended Balance (UB) – authority to use the remaining project funds in addition to the approved budget for the succeeding year

2. On Section IX.C Project Proposal Flow/Approval/Release of Funds to include the following provisions:

a. All new projects amounting to more than Five Million Pesos (₱5,000,000.00) shall be subject to approval of the EXECOM.

b. The Undersecretary for R&D shall be authorized to approve new projects with funding request of Five Million Pesos (₱5,000,000.00) and below and their subsequent renewal including requests for use/carry-over of the unexpended balances/savings. The EXECOM shall be informed of the projects approved by the Undersecretary. 

3. On Section X.B.3. Program/Project Extension to include a new provision on procurement of equipment under Item a, to read as:

a. Requests for extension of program/project shall be submitted together with the following documents:

- i. Latest financial report;
- ii. Proposed LIB;
- iii. Gantt Chart of activities for the extension period;
- iv. Technical report; and
- v. Justification for extension

Payment of honorarium shall not be allowed during the extension period. Likewise, procurement of new or additional equipment shall not be allowed except in meritorious cases, which shall be determined and approved by the Monitoring Agency.

4. On Section X.B.4 Continuing Assistance and Additional Funding of Programs/Projects to define under Item a the duration of a suspended project, to now read:

a. The request for continued funding of an ongoing or multi-year program/project shall be submitted to the Monitoring Agency not later than two (2) months before the end of the active period. The Monitoring Agency shall forward its recommendation to the DOST not later than one (1) month before the end of the active period. If approval has not been sought by the end of the active period, the program/project shall be automatically suspended. The Implementing Agency is not authorized to use the project funds during the suspension period. The originally approved project duration/implementation period shall remain the same.

5. On Section X.B.5 to revise the title to **Deferment/Change in Implementation Date** and in order to distinguish between change in implementation date due to late release of funds and deferred implementation due to force majeure, the project duration shall be defined in each case. The provision shall read:

a. The Monitoring Agency shall review and approve requests for change in implementation date of a new program/project due to late release of funds. The revised implementation period shall have the same duration as the original schedule. The Monitoring Agency shall inform the Funding Agency of such change within one (1) month from the date of approval, otherwise, the revised implementation period shall be considered null and void.

b. New projects with revised implementation period due to delay in release of funds shall commence within two (2) months upon receipt of funds.

c. Requests to revise the start of implementation date should be made within the first month after receipt of funds, at the latest.



d. Requests for deferred implementation of an approved project for a maximum of three (3) months due to force majeure shall be approved by the Undersecretary for R&D based on the recommendation of the Monitoring Agency. The Undersecretary for R&D shall report such action to the EXECOM and the latter shall decide on the resumption, extension of deferment or cancellation of the project. The end date of the project period shall be revised accordingly.

6. On Section X.C.1 Fund Releases to remove redundant statement, to read as:

- a. The Funding Agency shall release the project funds to the Implementing/Monitoring Agencies in partial or full amounts, upon receipt of the signed MOA or Conforme letter, subject to availability of funds, accounting and auditing regulations, and bond requirements (if necessary).
- b. Implementing Agencies are encouraged to open an account in any government depository/servicing bank. Bank charges resulting from the fund transfer, if any, shall be borne by the project funds.
- c. Subsequent release of funds to continuing projects shall be subject to the submission of necessary financial reports, appropriate endorsement and other requirements as indicated in Section X.B.4 of these guidelines.

7. On Section X.C.2 Budget Reprogramming and/or Modification to include a provision allowing budget reprogramming during the extension period and a timeline for efficient and effective monitoring, to read as:

Disbursement of grants shall be in accordance with the approved LIB and subject to existing government accounting and auditing rules and procedures. If budget reprogramming is required, a request shall be made not later than two (2) months before the end of the current year of project implementation. Budget reprogramming may be allowed up to three (3) times per agency (implementing and monitoring) during each year of implementation.

A project that has been granted extension for one (1) year shall be allowed a maximum of two (2) budget reprogramming during the extension period. If the extension granted is less than one (1) year, budget reprogramming may be allowed once.

Requests for reprogramming shall be supported by the following documents:

- a. request letter duly signed by the Head of Agency;
- b. endorsement/approval letter from the monitoring agency;
- c. latest financial report;
- d. work plan; and
- e. progress report (if additional funding and or/project extension is required)



A revised LIB shall be issued for the budget reprogramming which may cover transfer of funds, reclassification of the position of the project personnel, or creation of new expense item/s, among others.

Any reprogramming or transfer of funds from one expense item to another shall be based on the LIB approved by the Funding Agency. The Funding Agency must also be informed of the budget reprogramming including changes in the indirect cost made by the Monitoring/Implementing Agency within one (1) month after said changes have been made. Otherwise, the reprogramming shall be deemed null and void.

8. On Section X.C.4 Unexpended Balance (UB), Savings, Interest and Income to include provisions allowing the carry-over of UB, the approving authority for requests for use of UB during extension period, and use of savings for other related projects, to read as:

- a. The UB, savings, income and interest earned by a program/project, if any, shall be reported and included in the annual FR/AFR submitted to the Funding/Monitoring Agency.
- b. For continuing projects, the UB from the previous year shall be deducted from the total approved budget of the succeeding year. The carry-over of UB may be allowed subject to the recommendation of the Monitoring Agency and submission of the catch-up plan.

For multi-year projects, once the renewal has been approved, the use of UB to pay for the salaries of the project personnel and critical items under MOOE necessary for continued operations shall be allowed. Expenditures shall be based on the LIB as presented and approved during the EXECOM meeting or as approved by the Undersecretary for R&D.

- c. Requests for additional funds during the extension period to pay for salaries and MOOE shall require approval by the Funding Agency upon recommendation of the Monitoring Agency.
- d. Requests to use the UB for the extension period to pay for salaries and MOOE shall be approved by the Monitoring Agency if the amount is 10% or less of the total approved budget during the terminal year. Otherwise, approval shall be sought from the Funding Agency subject to the endorsement of the Monitoring Agency.
- e. The savings of a completed or terminated project can be used for related new and ongoing projects of the Implementing Agency, subject to the recommendation of the Monitoring Agency and approval of the Funding Agency, provided that fund effectivity is still valid.



- f. Upon project completion/termination, all balances/savings and income/interests earned shall be reported and reverted to the Funding Agency within three (3) months after the end of the project period. The Terminal Financial Report shall be submitted at the same time.
- g. The Implementing Agency may request for the use of the income generated by the program/project, subject to applicable government rules. In no case shall the interests and income earned be used to fund a new project not related to the original intent of the fund.
- h. For startups, all balances and savings shall be reported and reverted to the Funding Agency while reported income may be used by the Implementing Agency, in accordance with the Innovative Startup Act (RA 11337).

Particular guidelines shall govern programs/projects which require refund mechanism, provided that they are not inconsistent with the existing DOST-GIA guidelines which shall serve as reference.

All other provisions of DOST A.O. No. 011, Series of 2020 shall remain the same.

This Administrative Order shall take effect fifteen (15) days after publication in the Official Gazette and upon filing at the University of the Philippines (UP) – Law Center.


FORTUNATO T. DE LA PEÑA
Secretary



Republic of the Philippines

DEPARTMENT OF SCIENCE AND TECHNOLOGY



15 September 2021

SEP 23 2021

MEMORANDUM

TO : All Heads of DOST Sectoral Councils, Research and Development Institutes, S&T Service Institutes, Regional Offices, Collegial Bodies, Attached Agencies and DOST-CO Offices

SUBJECT : AMENDMENTS TO THE DOST ADMINISTRATIVE ORDER NO. 011, SERIES OF 2020, otherwise known as the “GUIDELINES FOR THE GRANTS-IN-AID (GIA) PROGRAM OF THE DEPARTMENT OF SCIENCE AND TECHNOLOGY (DOST) AND ITS AGENCIES”

Please find attached a copy of DOST A.O. No. 013 series of 2021, “AMENDMENTS TO THE DOST ADMINISTRATIVE ORDER NO. 011, SERIES OF 2020, otherwise known as the “GUIDELINES FOR THE GRANTS-IN-AID (GIA) PROGRAM OF THE DEPARTMENT OF SCIENCE AND TECHNOLOGY (DOST) AND ITS AGENCIES.” The amendment was made to: a) distinguish among automatic suspension caused by late renewal of the project, deferred implementation due to force majeure, and change in implementation date due to late release of funds; b) differentiate the use of unexpended balance (UB) and carry-over of UB; c) define the approving authority of projects based on funding cost; d) disallow procurement of equipment during project extension; e) allow budget reprogramming during the extension period; f) include a timeline for monitoring of changes in projects; g) include the approving authority for requests for use of UB during the extension period, and; d) allow use of savings for related projects.

The amendments to the DOST-GIA Guidelines shall take effect 15 days after publication in the Official Gazette and upon filing at the University of the Philippines (UP) – Law Center.

For your information and guidance.

FORTUNATO T. DE LA PEÑA
Secretary

SRD-21-00982