

2. RATIONALE

Given the dwindling resources of the government due to the slow down in the inflow of revenues, there is a pressing need to fully maximize the earning capacity of the Fund and at the same time, facilitate utilization of the proceeds from the P4.5 M MIFF seed fund to be able to respond and reach more needs of persons with disabilities and older persons through sustained operations and management of projects for said sector.

Moreover, there is an equal need to put in place a system that will effectively manage the disbursement and proper accounting of funds to promote transparency particularly accountability in the fund management. On this basis, the existing National Advisory Board and the eight (8) Managing Boards shall be reorganized for this purpose.

3. ORGANIZATION AND COMPOSITION OF THE NATIONAL ADVISORY BOARD AND MANAGING BOARDS FOR MIFF FUND

3.1 The National Advisory Board created in 1996 pursuant to Administrative Order No.169 shall be reorganized as follows:

3.1.1 The National Advisory Board shall be composed of a Chair and seven (7) members. The Board members will be composed of the following: DSWD Director of Programs and Projects Bureau; DSWD Director of Finance Service and Executive Director of NCWDP; Two (2) members representing non-government organizations (one each) duly licensed and accredited persons with disabilities and older persons;. The remaining two (2) members (one each) shall come from Peoples Organizations and/or Associations of Persons with Disabilities and Older Persons.

3.1.2 The DSWD Secretary or her/his duly appointed representative shall chair the Board.

3.1.3 The Members of the Board chosen from the sectors shall be persons with relevant expertise along their field of endeavor coming from licensed/accredited non-government organizations and people's organizations and associations implementing programs for persons with disabilities/older persons.

3.1.4 The tenure of the members chosen from the sectors shall be two (2) years.

3.2 The existing eight (8) Management Boards shall be reorganized into four (4) Managing Boards, which shall have the following areas of responsibility:

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CLUSTER	AREA VOCATIONAL REHABILITATION CENTERS COVERED
Cluster I	FOs I, II, III and CAR
Cluster II	FOs IV, V, and NCR (including NVRC)
Cluster III	FOs VI, VII and VIII
Cluster IV	FOs IX, X, XI, and CARAGA

- 3.2.1 Each Board shall be composed of five (5) members with the DSWD Regional Directors of NCR, Region I, Region VII and Region IX as chairpersons, respectively. The other four members for each Board shall be appointed by the DSWD-Secretary from among those endorsed/nominated by the Regional Director.
- 3.2.2 Two (2) members shall come from non-government organizations (one each) duly licensed and accredited by the DSWD to implement programs for persons with disabilities and older persons. Two (2) members (one each) shall come from the peoples organizations and/or associations of persons with disabilities duly registered with the DSWD.
- 3.2.3 The Vice-Chairperson shall be a member coming from non-government organization or an organization of persons with disabilities/older persons.
- 3.2.4 The tenure of appointed members shall be two (2) years.
- 3.2.5 A DSWD technical staff may be assigned to each Managing Board to provide secretariat support. The staff shall provide technical and administrative support or coordinate the provision of administrative support to the Managing Board. As a technical secretariat, the staff shall, among others, render research and reports on issues/concerns affecting the Board, prepare notices and minutes of meetings, and may participate in the meetings/deliberations of the Board, however, without voting power.

5. FUNCTIONS OF THE NATIONAL ADVISORY BOARD AND THE MANAGING BOARDS

5.1 NATIONAL ADVISORY BOARD

- 5.1.1 It shall act as the advisory and policy making body of the MIFF Fund;
- 5.1.2 It shall provide direction for a coordinated system for the management and utilization of the MIFF Fund;

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- 5.1.3 It shall formulate and recommend criteria for eligibility of organization proposing projects for funding;
- 5.1.4 It shall determine expenditure ceiling for each Managing Board in the preparation of their Work and Financial Plan (WFP);
- 5.1.5 It shall monitor and evaluate the performance of the four (4) Managing Boards;
- 5.1.6 It shall establish a reporting system to ascertain the progress and status of individual projects;
- 5.1.7 It shall authorize the conduct of fund-raising campaign and other resource generation activities to augment the MIFF fund; and
- 5.1.8 The Board shall convene at least once every quarter.

5.2 MANAGING BOARDS

Under direction of the National Advisory Board, the Managing Board shall be responsible for the following:

- 5.2.1 It shall assess and approve individual projects for funding and implementation;
- 5.2.2 It shall determine the proponent's track record in terms of capability to implement project and the necessity for external funding;
- 5.2.3 It shall monitor and evaluate projects provided with funding assistance;
- 5.2.4 It shall prepare the semestral reports of projects for submission to the National Advisory Board;
- 5.2.5 It shall recommend policies for approval by the National Advisory Board; and
- 5.2.6 It shall meet at least once every quarter and shall be entitled to transportation allowance.

- 6.2 It shall keep track on the disbursement and utilization made on the MIFF;
- 6.3 It shall conduct fund-raising campaign and other resource generation activities to augment the MIFF Fund;
- 6.4 It shall consolidate semestral reports submitted by the Managing Board for presentation to the National Advisory Board;
- 6.5 It shall provide technical support to the Board such as conducting research and reports on issues/concerns affecting the Board.
- 6.6 It shall provide or coordinate provision of administrative support to the Board
- 6.7 It shall provide secretariat support during regular and special meetings of the National Advisory Board including preparation and serving of notices and minutes of meetings; and
- 6.8 It shall bring to the attention of the National Advisory Board matters requiring immediate action
- 6.9 Does other functions as may be requested by the Board

7. GENERAL POLICIES ON THE USE OF MIFF FUNDS

The following policies shall guide the use of MIFF funds:

- 7.1 The MIFF fund shall be considered as seed capital for programs and projects of persons with disabilities and older persons. All donated funds shall be added to the capital and serve as a continuing capital seed fund.
- 7.2 It shall be available to needy persons with disabilities and older persons being served by the government and non-governmental organizations duly licensed and/or accredited by the DSWD including organizations of persons with disabilities/older persons duly registered with the DSWD.
- 7.3 Assistance shall be extended in the form of grants with matching funds from the beneficiaries, except those requested for capital assistance in which case, the funding assistance shall be on a loan basis with a 6% interest rate per annum.
- 7.4 Priority shall be given to small micro enterprise projects that cannot be funded by the DSWD and other accredited NGOs and registered POs.
- 7.5 Counterpart funds from the beneficiaries and other sources shall always be encouraged and made available

- 7.6 Resource generation activities shall be undertaken to build up the initial seed capital and sustain the funding of projects for persons with disabilities and older persons.

8. SPECIFIC GUIDELINES ON THE MANAGEMENT OF FUNDS

- 8.1 The National Advisory Board shall provide the policy and direction for the management the MIFF funds.
- 8.2 The initial seed fund of each of the Managing Board shall be maintained and may be increased through donated funds. No amount of the seed capital shall used for operating expenses of any Board.
- 8.3 An additional P500,000 each out of the remaining P1.5 M from the abolished Managing Boards shall be allocated to Clusters I, II and III.
- 8.4 The National Advisory Board shall assign, under its direction, an appropriate DSWD unit to undertake investments planning and placement of the Fund.
- 8.5. The fund shall be invested in time deposit schemes with different stable and reputable banks that give the highest interest rates.
- 8.6 Only proceeds from investments or interest income shall be used for the implementation of projects for the person with disabilities and the older persons and for operating expenses of the Boards. All unused income, interest and other proceeds from funds as maybe determined by the Board may be added to the fund and serves as a continuing seed fund.
- 8.7 All loan repayments collected shall also serve as continuing seed fund
- 8.8 The National Advisory Board shall regularly release to each Managing Board income derived from the seed capital for purposes of implementation of their respective projects and for operational expenses.
- 8.9 Funding assistance shall be granted in two forms: a) Grant assistance, and b) Loan assistance, which shall be extended with an interest rate of 6% per annum.
- 8.10 The EAO shall keep record and render accounting/report on a regular basis the results of operations and the status of the Fund.

9. MONITORING AND EVALUATION

The National Advisory Board shall review and evaluate the performance of the Managing Boards annually with the assistance of the External Assistance Office.

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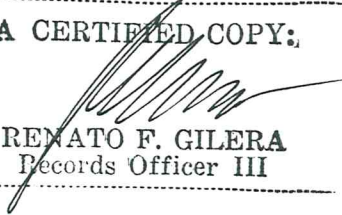
10. EFFECTIVITY AND REPEALING CLAUSE

This order shall take effect immediately. All previous orders that are contrary to this Order are hereby amended/modified/repealed accordingly.

Done this 24th day of June 2003, Quezon City.


CORAZON JULIANO N. SOLIMAN
Secretary

A CERTIFIED COPY:


RENATO F. GILERA
Records Officer III

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- 5.2.6 It shall meet at least once every quarter and shall be entitled to transportation allowance.

6. SECRETARIAT

The External Assistance Office (EAO) shall serve as the Secretariat of the National Advisory Board. It shall provide technical and administrative support to the NAB, as follows:

- 6.1 It shall coordinate the operations of the Managing Boards;

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