

ADMINISTRATIVE ORDER NO. 13
Series of 2020

**2020 DSWD GUIDELINES AND PROTOCOLS
FOR CONTRACT DRAFTING, REVIEW, IMPLEMENTATION AND MONITORING**

I. RATIONALE

The Civil Code states:

Article 1305. A contract is a meeting of minds between two persons whereby one binds himself, with respect to the other, to give something or to render some service.

That is, a contract is an agreement between two or more parties, where at least one party (or all parties) promises to do (or not to do) something.

Most contracts are binding even if they are not written, and most written contracts are binding even if they are not notarized. However, it is very hard to prove a contract unless it is in writing. And it is easier to prove a written contract if it has been notarized. Because we are in the government, we want everything clear; thus we want all contracts to be written and notarized as much as possible.

When reviewing a contract, the two main things to ensure are: first, that the contract would not violate any law or regulation; and second, that the contract clearly expresses the true intent of the parties.

Further, in drafting contracts, we must consider Republic Act (RA) No. 10173 otherwise known as the Data Privacy Act which ensures that personal information in government information and communications systems are secured and protected and RA 11032 or the Ease of Doing Business (EODB) Law which orders government agencies and local government units to eliminate unnecessary requirements and standardize processing time of transactions in the government.

Meanwhile, the need to have protocols and standards in the management of contracts entered into by the Department, with emphasis on efficiency, transparency and accountability, is essential because there is no harmonized process in contracting yet, and in order to ensure that all these contracts not only conform with existing laws, rules and regulations, but they are effectively implemented and monitored, to achieve the Department's goals and objectives.

II. OBJECTIVE

This Administrative Order intends to:

- a. Rationalize the contract drafting, review and monitoring of contracts entered into by the Department of Social Welfare and Development (DSWD) in the Central Office (CO) and Field Offices (FOs); and
- b. Provide uniform policies and procedures for; and/or general guidance in the effective preparation of contracts, review procedures, and contract monitoring in the DSWD CO and FOs.
- c. Systematize the proper recording, compiling, and safekeeping of contracts in the DSWD CO and FOs.

III. LEGAL BASES

1. **Article 1305 of the Civil Code** provides the legal definition of a contract.
2. **Section 6, Chapter 2, Book IV of Executive Order No. 292 (EO 292) or the Administrative Code of 1987** defines the authority and responsibility of the Secretary over the exercise of the Department's formal mandate.

Further, **Section 7, Chapter 2, Book IV of EO 292** specifies the powers and functions of the Secretary, thus:

- a. Establish the policies and standards for the operation of the Department pursuant to the approved programs of the government;
 - b. Promulgate rules and regulations necessary to carry out the Department's objectives, policies, functions, plans, programs and projects; and
 - c. Promulgate administrative issuances necessary for the efficient administration of the Department and for proper execution of laws relative thereto.
3. **Republic Act No. 11032** or An Act Promoting Ease of Doing Business and Efficient Delivery of Government Services, Amending for the Purpose Republic Act No. 9485, Otherwise known as the Anti-Red Tape Act of 2007, and for other Purposes which standardizes processing time of transactions in the government.
 4. **Republic Act No. 10173** or the Data Privacy Act of 2012 seeks to protect the fundamental human rights of privacy and of communication while ensuring free flow of information to promote innovation and growth.
 5. Book IV (The Executive Branch) Chapter 14 (Controversies among Government Offices and Corporations) of **Executive Order No. 292** (the

Revised Administrative Code); **Presidential Decree No. 242**, as amended by Sec. 66 Chapter XIV, of the Administrative Code 1987 provides means of settling disputes among government agencies.

6. **Administrative Order No. 16 series of 2019** or the 2019 Delegation and Delineation of Authority spells out the levels of authority in the Department.
7. **Presidential Decree No. 1445** or Ordaining and Instituting a Government Auditing Code of the Philippines.
8. **Commission on Audit Circular 2009-001** dated February 12, 2009 on Restatement with Amendment of COA Circular 87-278 and COA Memorandum 2005-027 re: submission of copy of government contracts, purchase orders and their supporting documents to the Commission on Audit.
9. **Republic Act No. 8293** or the Intellectual Property Code of the Philippines recognizes the need for an effective intellectual and industrial property system.
10. **Republic Act No. 10055** or Philippine Technology Transfer Act stresses that science, technology and innovation are essential for national development and progress.

IV. DEFINITION OF TERMS

1. *Authorized Depository* – refers to the designated custodian of the contract.
2. *Contract* – It is a meeting of minds between two persons whereby one binds himself, with respect to the other, to give something or to render some service. A covenant or agreement between two or more persons, with a lawful consideration or cause.¹
3. *Notarized* – A document which has been authenticated by the signature of the relevant individual and the signature of the notary public.
4. *Memorandum of Agreement (MOA)* – It is a contract executed when the details have already been agreed upon by the parties. The Agency-to-Agency agreements or contracts involving government agencies are subsumed under the general term of MOA.
5. *Memorandum of Understanding (MOU)* – It is a contract usually executed when the parties have come to an agreement in principle that is, they have

¹ Black's Law Dictionary

Article 1305 of the Civil Code of the Philippines - A contract is a meeting of minds between two persons whereby one binds himself, with respect to the other, to give something or to render some service.

agreed to do something together, but have not yet decided on the details on how to do it.

6. *Party* – refers to the person who is bound by the contract.
7. *Proponent* – refers to the head of office, bureau, service, or unit (OBSU) of the Central Office (CO) who is a party to the contract.
8. *Secretary* – refers to the Department Head.
9. *Undertaking* – refers to a document where only one party promises to do something but it is still a contract.
10. *Deed of Acceptance* – It is a contract or covenant, delivered by the party to be bound thereby, and accepted by the party to whom the contract or covenants runs. ²
11. *Deed of Donation* – It is a contract executed by which the owner of a thing, voluntary transfers the title and possession of the same, from himself to another person, without any consideration. ³
12. *Non-Disclosure Agreement*- It is a contract or agreement between persons or entities where either one party or all parties agree **not to disclose** information that may be exchanged between the parties that is confidential in nature and to treat specific information as a trade secret.⁴

V. COVERAGE

This Administrative Order covers all contracts, such as but not limited to Memorandum of Agreement (MOA), Memorandum of Understanding (MOU), and all others contracts entered into by the DSWD except, contracts of the Contract of Services and Job Order (COS/JO) Workers.

All procurement contracts shall be pursuant to the provisions of RA 9184 or the Government Procurement Reform Act.

VI. POLICIES

A. Description of Contract

1. A Contract shall be:

- a. In writing;

² Black's Law Dictionary

³ Black's Law Dictionary

⁴ Black's Law Dictionary



- b. Signed by the Secretary or appropriate Cluster Head, subject to DSWD guidelines on delegation and delineation of authority, and the authorized representative of the other contracting party; and
 - c. Notarized.
2. It shall be simply and clearly written in such a way that it would be easily read and understood by the parties.
 3. It shall be consistent with the social protection mandate of the DSWD.
 4. It shall be favorable or advantageous to the government.
 5. It shall be implemented and monitored based on its provisions and existing laws and rules.
 6. It shall be properly recorded, compiled, and safe kept by the authorized depository.

B. CLASSIFICATION

A Contract may be classified into the following:

1. Deed of Acceptance
2. Deed of Donation
3. Non-Disclosure Agreement
4. Memorandum of Agreement (MOA)
5. Memorandum of Understanding (MOU)
6. Undertaking

C. CONTENTS OF A CONTRACT

Written contracts do not have to be in a particular form, but some format have become accepted as conventional. The conventional written contract would look something like that in Annex A.

The usual parts of a conventional written contract are:

1. Title
2. Parties
3. Recitals
4. Substantive Provisions
5. Date and Place of Execution
6. Signatures
7. Acknowledgement

TAB

1. Title

The Title is the first thing that is seen in a Contract. It should be accurate and concise. When in doubt on what to call a contract, calling it simply "Agreement" or "Contract" would be acceptable.

2. Parties

This part lists who would be bound by the Contract. For the contract to be valid, not only should the parties be actually existing, but they should be clearly identified. Parties may either be natural persons (individuals) or juridical entities (corporation, partnership, government agencies, international organization, non-government organization).

It is standard to write down the address of each party. For a juridical entity, indicate the name and designation of the individual who would be signing for it.

The signatory must be a duly authorized representative and granted full power and authority to do, execute and perform any and all acts necessary to enter into contract and to sign and execute the contract accompanied by the duly notarized Special Power of Attorney, Board Resolution or Secretary's Certificate.

3. Recitals

These are the clauses seen in the contract which usually starts with "Whereas". They state certain events that lead to and legal background in support of the execution of the Contract.

4. Substantive Provisions

This is the essence of the contract and contains what the parties have agreed upon, including what each party is supposed to do.

Generally, the parties can agree on anything, however, the parties cannot agree on something that would violate the law, public policy, or public moral.

The law is written into the contract. This means that if the parties fail to agree on a matter, but there is already a provision of law regarding that matter, that provision of law would apply, even if the contract does not mention it.

Agreements can usually be categorized as follows:

a. Purpose/Objective/Scope

These provisions state what the Parties intend to accomplish. It would set the context and the tone for the rest of the contract.

b. Duties/Responsibilities/Obligations of Parties

In a contract, the parties promise to do or give certain things. This section contains those things, which may be called duties, responsibilities or obligations. Hence, this is the most important section in the most important part of a Contract.

This section is usually further organized under subsections for each party. That is, the things that each party is supposed to do are usually grouped together.

However, this is not the only way to organize this section. In certain contracts, there may be a series of obligations, with the obligation of one party commencing only after the other party has performed another obligation. In such cases, it may be more helpful to organize the obligations chronologically.

The most important thing is to set out clearly and exactly what each party is expected to do. Be sure to include the *What, When, Where, and How* (leave the *Why* in the Recitals). Be direct, not vague.

Incorporation by reference. This means specifically referring to a document attached to the contract. By doing so, that document becomes part of the contract. This is usually done if there are voluminous details that need to be included. To make reading the main text of the contract easier, these details are put in a separate document.

c. Default, Delay, Violations, Breaches, Penalties, Remedies

These provisions state what will happen if a party does not comply with the provisions of a contract.

Violations and breaches refer to instances when a party does not comply with the particular provisions of a contract. They include default and delay. Violations are usually more serious in nature than breaches.

If one party is in default, the other party can always ask the proper court to order the defaulting party to perform its obligations. (This is called an action for *Specific Performance*). In some cases, the court will even impose penalties and/or damages, even if none are included in the contract.

Penalty clauses give teeth to the contract. A party that fails to perform its obligations under a contract is said to be in default. A party that is late in performing its obligations is said to be in delay.

Specifically mentioning penalties in a Contract is meant to discourage non-compliance.

Thus, penalties typically include liquidated damages, e.g., a specific amount that a party in default would pay to the other party.

Sometimes, a contract would state that if one party fails to perform its obligations, the other party can terminate the contract. The law already provides for this, and it is called Rescission. However, including it in the contract serves as a reminder, and is meant to further discourage non-compliance.

Remedies are the courses of action available to a party if the other party breaches or violates the contract. They may include asking the other party to comply with the contract, imposing the prescribed penalties, pre-terminating the contract, or others not explicitly stated in the contract but provided for by law.

d. Term, Effectivity, Pre-termination, Renewal

Term refers to the specific length of time after which the contract expires, while effectivity refers to the actual period when a contract is in force.

A contract automatically ends or “*expires*” after the specified period lapses. Before that, it can also be “*pre-terminated*” if all the parties agree. A contract could also provide instances when one party may pre-terminate the contract.

A contract may provide that it is automatically renewed when it ends. Without this, the default is there is no automatic renewal. However, the law prohibits the automatic renewal of certain types of contract (e.g., procurement contracts.)

In some cases, it is preferable to have open-ended contracts, that is, those with no fixed term and which would continue indefinitely. This applies for instance to agreements between government agencies establishing certain protocols.

e. Assurances, Warranties

These are the representations that one party gives, and which the other party relies upon, which are relevant to the contract.

f. Notices, Contacts, Implementers

In contracts involving large organizations, we recommend identifying the particular persons or offices/units who would actually implement the contract. When identifying persons, indicating by position is preferable to indicating by name (this would ensure continuity in case certain individuals are replaced).

Also, indicate contact information – e.g., mailing address, phone numbers and email address - to facilitate communication between the parties.

Indicating contacts is also important to determine how one party should give to the other party notices that may be required under the contract.

g. Dispute Resolution

A dispute arises when a party violates a contract or if the parties cannot agree on how to interpret the terms of a contract. The parties would usually have to go to a third party to resolve the dispute. In most cases, that third party would be a court of law.

This provision provides for a *Venue* or the place in whose courts the dispute would be tried, if it comes to that.

Venue clauses are important because they give leverage to the party who chooses the location of the Court where the dispute over contract terms will be filed and decided. Oftentimes, a party will want their contract dispute decided by the Court in the business address of the party, where they and their counsel are located for convenience.

If the parties belong to different countries, or if the contract would be executed in different countries, the contract should provide for a Governing Law, that is, it would specify which country's laws would be used to interpret the contract.

However, going to court takes up a lot of time and resources. Thus, most contracts provide for other ways to settle disputes, or *Alternative Dispute Resolution* (ADR).

Dispute between "departments, bureaus, offices, agencies and instrumentalities of the National Government, including government owned or controlled corporations" should be brought to the Secretary of Justice or the Solicitor General.⁵

h. Confidentiality / Non-Disclosure Agreement

This provision provides that parties agree not to disclose certain proprietary or confidential information explicitly outlined in the agreement/contract to protect information shared between the parties. The parties agree not to disclose information for the duration of the contract or for a specified period.

i. Miscellaneous Provisions

These are the other provisions in the contract. In most cases they merely reiterate what is already in the law but are still usually included as explicit reminders to the parties.

⁵ Book IV (The Executive Branch) Chapter 14 (Controversies among Government Offices and Corporations) of Executive Order No. 292 (the Revised Administrative Code); Presidential Decree No. 242, as amended by Sec. 66 Chapter XIV, of the Administrative Code 1987.

5. *Date and Place of Execution*

In almost all cases, it is important to include in the contract the date when and place where it is – or would be – signed. These information are useful to determine the periods referred to in the contract and to identify which laws and rules would apply.

6. *Signatures*

Check that individuals executing a contract on behalf of juridical entities have the authority to sign the contract. For instance, for corporations, ask for a Secretary's Certificate. For government agencies, ask for a copy of the manual of authorities. Specifically, for the DSWD, this would be the Manual of Delineation and Delegation of Authority in the DSWD.

Generally, the president, Chief Executive Officer or General Manager is authorized to execute contracts on behalf of a corporation. The same goes for the head of an institution (e.g., the Secretary of a government Department).

For other officers, make sure there is proof of their authority (e.g., a Board Resolution or a Secretary's Certificate).

Indicate the full name of each party, and if possible, its role in the contract (e.g., for a sale, "Seller" and "Buyer"; for a donation, "Donor" and "Donee", etc.) For an organization, indicate the full name and position of its signatory.

Witnesses. Only certain kinds of contracts require witnesses. Most of the time, witnesses are unnecessary. However, there is no harm in including them. Witnesses from the DSWD should be regular employees.

If proponent should decide to have a witness in a contract, a maximum of one (1) witness would suffice.

7. *Acknowledgement*

If a contract has to be "notarized" (which is often), it means that it has to be acknowledged.

The acknowledgement states that the signatories [i] personally appeared before the Notary Public, [ii] were identified by the Notary Public, and [iii] acknowledged that they knowingly and freely signed the contract.

The Acknowledgement must then indicate the competent proof of identity that the signatories showed to the Notary Public. This must be a government-issued identification document that bears a photo of the signatory and other personal information of the signatory by his identity can be confirmed. Examples are the Driver's Licenses, Passports, and Professional Regulatory Commission (PRC) IDs. The Community Tax Certificates or "Cedula" are not competent proof of identity.

8. Printed Format

To ensure maximum readability, the final printed form of the contract shall be:

- a. Printed on Legal –size paper (Folio or Officio II which is 8.5 inches in width x 13 inches by length) preferably in five (5) sets;
- b. One-inch (1”) right, left and bottom margins and two-inches (2”) top margin
- c. Use 12-point Arial font, single spaced with sufficient spacing between paragraphs.

VII. PROCEDURES

A. Initial Drafting

1. The Proponent, or a committee created upon agreement of the parties, shall be responsible for crafting the contract and the complete staff work on the proposed Contract. This includes all preparatory acts to the drafting of the Contract.
 - a. The Proponent shall seek comments and input from other concerned OBSUs or parties responsible for the proposed contract.
 - b. The Proponent shall perform all acts necessary in crafting the agreement of the parties.
2. The Proponent shall transmit the initial draft of the contract to the Legal Service for review.
3. The Proponent shall transmit the initial draft of the contract to the concerned Cluster Head or appropriate signatory under the Manual of Delegation and Delineation of Authority for review.

B. Contract Review

1. The Proponent shall submit the final draft of the contract to the Legal Service (LS) or the FO lawyer, if the contract falls within the scope of the Regional Director (RD). In the absence of the FO lawyer, the draft contract shall be submitted to the Office of the Regional Director (ORD). For contracts that involve financial or monetary value, proponent shall submit the final draft to the FMS for review of the financial aspect.
2. The LS lawyer /FO lawyer/RD shall review the final draft of the contract based on the category and in accordance to the Ease of Doing Business Act.
 - a. For purposes of this guideline, contracts shall be categorized as follows:

1. Simple – Undertaking
 2. Complex – Deed of Donation, Deed of Acceptance, Non-Disclosure Agreement, MOA, MOU and Procurement Contracts
- b. The timeline for each category shall be as follows:
1. Simple – within Three (3) days
 2. Complex – within Seven (7) days
3. The LS /FO lawyer/RD shall submit its comments and recommendations to the Proponent.
 4. The Proponent shall prepare the revised draft contract incorporating the comments and input from the LS/FO lawyer/RD, and shall submit to the Cluster Head or authorized signatory based on the Manual of Delegation and Delineation of Authority, for approval.
 5. The Proponent shall submit the revised final draft of the contract to the LS/FO lawyer/RD.
 6. The LS lawyer/FO lawyer/RD shall review the revised final draft of the contract.
 7. The LS/FO Lawyer/RD shall return the final draft of the contract with notice indicating that:
 - a. That the Proponent fails to execute the prior comments and recommendations;
 - b. The LS/FO lawyer/RD deemed it necessary to make further comments and recommendations; or
 - c. It has no further comments and recommendations.

C. Execution

1. For contracts involving financial or monetary value, the Proponent shall prepare the Obligation Request and Status (ORS) form and submit the same to the Budget Division/Unit together with the Project Proposal duly signed and approved in accordance with the DSWD AO 16, series of 2019.
2. Proponent shall submit the signed and approved ORS together with the contract and the Project Proposal shall be forwarded to the Accounting Division/Unit for the certification on the availability of funds by the Accountant in accordance to Sections 85-87 of Presidential Decree No. 1445.

3. The Proponent shall transmit the final draft of the contract to the Secretary or authorized signatory pursuant to the Manual of Delegation and Delineation of Authority⁶.
4. The Proponent shall prepare an Executive Summary of the proposed contract.
5. The Proponent shall print the final contract for approval and signature of the Secretary or appropriate authorized signatory.
6. The Secretary or authorized signatory shall sign the contract and return it to the Proponent.
7. The Proponent shall cause the notarization of the contract.
8. The Proponent shall submit one (1) original copy of the executed contract executed to the LS or authorized depository for safekeeping.⁷
9. The Proponent shall submit one (1) original copy of the executed contract under 3.1 to the Commission on Audit (COA) in accordance with COA Circular 2009-001 dated February 12, 2009.

D. Recording and Safekeeping

The LS shall maintain a system of recording of contracts.

1. The Proponent shall submit one (1) original copy of the contract executed with different stakeholders, except Procurement Contracts and Contracts of COS/JO workers of DSWD.
2. The LS shall screen the completeness of the documents.
 - a. If complete, receive the request and stamp received with date, time and name of the receiving officer, then encode in the Electronic Document Tracking Management System (EDTMS).
 - b. Otherwise, return the request to the sender and advise to submit complete documents.
3. The LS shall record in the database, the deposit of the original contract.
4. The counter part of LS in the CO is the Legal Unit in the FO. If there is no Legal Unit in the FO, the Office of the Regional Director (ORD) shall maintain a system of recording of contracts. LS may provide Technical Assistance to the Regional Director.

Further, compliance with the timelines set in the EODB law is required for the submission of notarized contracts to the LS or authorized depository.⁸

5. The Proponent shall immediately inform the Legal Service or the Authorized depository that the contract has been completed or terminated.

⁶ Administrative Order No. 16 series of 2019

⁷ Memorandum from Secretary dated November 13, 2018

⁸ Republic Act No. 11032

6. Legal Service/Authorized depository shall then transfer the completed/terminated contract to the archive.

5 Issuance of Certified True Copy

The Proponent or any interested party may request the LS/FO Legal Unit/ORD for a certified true copy by specifying the purpose of the request.

1. The Proponent or any interested party shall request a certified true copy of the signed contract.
2. The LS/FO Legal Unit/ORD shall process the request.
3. The LS/FO Legal Unit/ORD shall transmit a certified true copy of the contract to the requesting party.

VIII. CONTRACT IMPLEMENTATION AND MONITORING

A. Implementation

1. The Proponent shall be responsible for the full implementation of the contract by making sure that all parties comply with their respective duties and obligations under the contract.
2. The Proponent shall inform the other party, copy furnish the LS/FO, Lawyer/RD, for any violation or breach of the terms and conditions of the contract.
4. The LS/FO lawyer shall provide technical assistance to the Proponent in filing the appropriate action, if necessary, for any violation or breach of the contract. The LS/FO lawyer shall also provide legal representation to the Proponent, based on the office mandate.

B. Monitoring

1. The Proponent shall be responsible for monitoring the implementation of the contract.
2. The Proponent shall inform the concerned party of the renewal of contract, if needed, three (3) months prior to the expiration of the original contract.
3. The LS/FO Legal Unit shall also serve as a "third party monitor" of all the contracts in the Department.
4. No extension of contract shall be allowed after the expiration of contract.
5. For purposes of this guideline, the Proponent shall conduct periodic review especially for contract which provides for validity of more than one (1) year.
6. Periodic review shall be done twice a year, preferably on the 1st and 3rd quarter of the year.

6. The Proponent shall inform the LS/FO Lawyer/RD, that the contract is still compliant with existing laws, rules and regulations or the contract needs further amendments to comply with the new laws, rules or regulations.

C. Amendment/Modification

1. The Proponent shall inform the concerned party for any proposed amendment in the contract.
2. The Proponent shall prepare the draft contract and shall undergo the same process as a new contract, specifying the justifiable reason for its amendment.
3. The Proponent shall submit the draft contract with the proposed amended contract to the LS/FO lawyer/RD for review.
4. LS lawyer/FO lawyer/RD shall review the contract.
5. The LS/FO lawyer/RD shall return to the Proponent the draft amended contract, indicating that there are no further comments and recommendations.
6. Compliance with the timelines set in the EODB law is required.⁹

D. Reporting

For this purpose, the Proponent shall submit an ANNUAL MONITORING REPORT (Annex B) to their respective Cluster Heads or appropriate superior based on the Manual of Delegation and Delineation of Authority¹⁰ copy furnished the LS/FO Legal Unit.

IX. INSTITUTIONAL ARRANGEMENTS

1. The Head of OBSU or Proponent shall be responsible for complying with the protocols on contract drafting, review, implementation and monitoring.
2. The LS/FO Legal Unit/ORD shall be the official repository of original copies of contract.
 - a. For this purpose, the LS/FO Legal Unit/ORD shall keep, maintain and update a record in all contracts.
 - b. The LS/FO Legal Unit/ORD shall make sure such record is available for inspection during regular office hours.
 - c. The LS/FO Legal Unit/ORD shall make available to the requesting party, a copy of the contract, depending on the justification.

⁹ Republic Act No. 11032

¹⁰ Administrative Order No. 16 series of 2019

- d. The LS/FO Legal Unit/ORD shall keep, maintain and update a **COMPILATION** of digital copies of all contracts.
3. The LS/FO Legal Unit/ORD shall keep, maintain and update a digital **INDEX** of all contracts.
4. The LS/FO Legal Unit shall conduct continuing orientation, training and information dissemination on contract development, review, implementation and monitoring for OBS management and staff.
5. The LS/FO Legal Unit shall provide technical assistance to DSWD employees on appropriate drafting and amending of a contract as well as the manner of engagement of parties to a contract to prevent risks of violations relative to contracting.
6. The FMS shall provide technical assistance to the Proponent with respect to the financial aspects of the contract.

X. EFFECTIVITY AND REPEALING CLAUSES

1. This Administrative Order shall take effect immediately.
2. This Administrative Order shall be subject to amendment/change as may be necessary.
3. All previous issuances to or inconsistent with this Administrative Order are hereby repealed, modified or amended accordingly.



ROLANDO JOSELITO D. BAUTISTA

Secretary

Date: OCT 22 2020

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT (the "Agreement") is entered into between:

The DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT, a national government agency with office located at DSWD Building, Batasan Pambansa Complex, Quezon City, Metro Manila, represented by its Secretary **Rolando Joselito D. Bautista (DSWD)**;

– and –

The DEPARTMENT OF NATIONAL DEFENSE, a national government agency with office located at Segundo Avenue, Camp General Emilio Aguinaldo, Quezon City, Metro Manila, represented by its Secretary **Delfin N. Lorenzana (DND)**;

WITNESSETH: That –

Whereas, on 14 October 2018, Rolando Joselito D. Bautista retired with the rank of Lieutenant General from the Armed Forces of the Philippines;

Whereas, on 15 October 2018, Mr. Bautista was appointed, and assumed office, as Secretary of the DSWD;

Whereas, pursuant to Executive Order No. 41, series of 1966, the Chief of Staff of the Armed Forces of the Philippines (AFP), subject to the confirmation of the DND Secretary, may authorize an Armed Forces security detail to any civilian office, when such detail would, in his opinion, be in the public interest;

NOW, THEREFORE, the Parties agree that:

- Obligations of the DND.** The DND shall provide a Security Detail for Mr. Bautista.
The DND shall determine the number, qualifications, and identities of the personnel to be assigned to such Security Detail, in accordance with its applicable regulations, and in consultation with Mr. Bautista.
- Obligations of the DSWD.** The DSWD shall shoulder all reasonable administrative and operational costs incurred by the Security Detail, subject to availability of funds and pertinent accounting rules and regulations.
These costs include, but are not limited to, salaries, other emoluments, and expenses for travel, board, and lodging.

- Effectivity.** This Agreement shall remain in effect during the entire period that Mr. Bautista serves as Secretary of the DSWD.

_____ 2018, Quezon City, Metro Manila.

DEPARTMENT OF SOCIAL WELFARE
AND DEVELOPMENT

By

Rolando Joselito D. Bautista
Secretary

DEPARTMENT OF
NATIONAL DEFENSE

By

Delfin N. Lorenzana
Secretary

WITNESSES

Atty. Kristine J. Padilla-Antolin
Head Executive Assistant

ACKNOWLEDGEMENT

BEFORE ME, on the above date and place, personally appeared the following who exhibited to me the indicated proof of identity:

Rolando Joselito D. Bautista _____
Delfin N. Lorenzana _____

known to me to be the same persons who executed the foregoing instrument and who acknowledged to me that the same is their free act and deed, and that of the institutions represented.

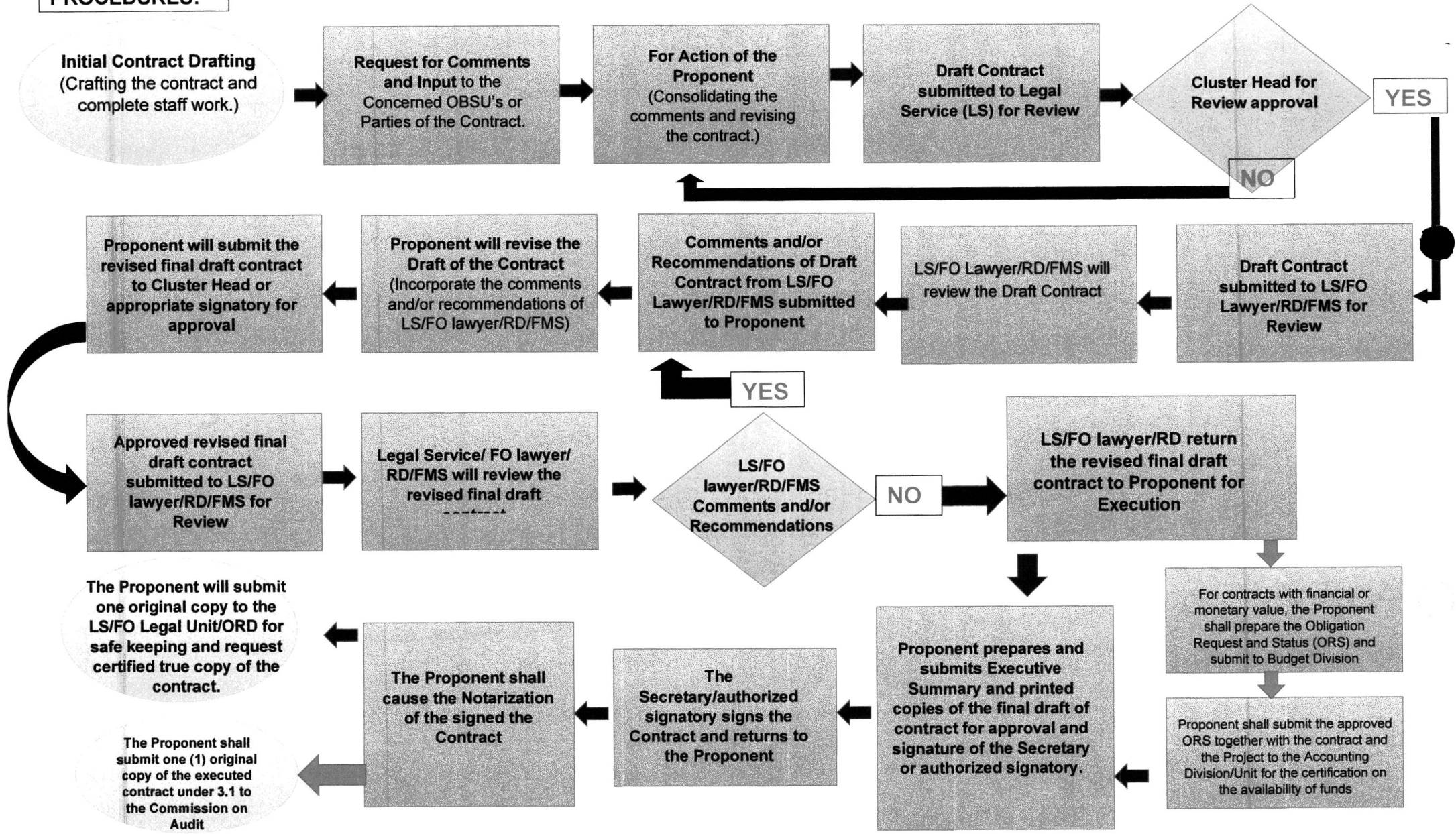
Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2018.

NOTARY PUBLIC

DND MOA RE SECURITY DETAIL

MONITORING REPORT FOR CONTRACT						
CALENDAR YEAR _____						
Proponent/OBSU						
CONTRACT NO.	TITLE	DATE OF CONTRACT	IMPLEMENTING PROponent/OBSU	TYPE OF CONTRACT NEW/AMENDMENT/RENEWAL	DATE OF COVERAGE	REMARKS
DATE	Prepared by: NAME DESIGNATION			NOTED: NAME DESIGNATION		

PROCEDURES:



Contract Implementation and Monitoring

IMPLEMENTATION

- Proponent shall be responsible for the full implementation of the contract and ensure that all the parties comply with their respective duties and obligations.
- Proponent shall inform the other party, copy furnish LS/FO lawyer /RD, for any violation or breach of contract.
- LS/FO lawyer shall provide technical assistance to the Proponent in filing appropriate action, if necessary. The LS/FO Lawyer shall also provide legal representation to the Proponent, based on the office mandate,

MONITORING

- Proponent shall be responsible for monitoring the implementation of the contract.
- The LS/FO shall also serve as a "third party monitor" of all the contracts in the Department.
- Proponent shall inform the concerned party of the renewal of the contract (3 months prior to the expiration of the contract).
- No extension of contract after the expiration of contract.
- Proponent shall conduct periodic review for contract which validity is more than one (1) year.
- Periodic review shall be done on the 1st and 3rd quarter of the year.
- The Proponent shall inform the LS/FO Lawyer/RD, that the contract is still compliant with laws, rules and regulations or that the contract needs further amendments to comply with new laws, rules and regulations.

AMENDMENT/ MODIFICATION

- Proponent shall inform the concerned party for any proposed amendment of the contract
- Proponent shall prepare the draft contract (undergo same process as a new contract).
- LS/FO lawyer/RD shall review the amended contract.
- LS/FO lawyer/RD shall return the contract to Proponent:
 - If there is comment/ recommendation for revision and submit the revised draft to LS/FO lawyer/RD; or
 - If there is no further comment/ recommendation LS/FO lawyer/RD shall return the draft amended contract for execution

REPORTING

- Proponent shall submit ANNUAL MONITORING REPORT to their respective Cluster Heads or appropriate superior based on the Manual of Delegation and Delineation of Authority copy furnish Legal Service/FO Legal Unit.