

AGENCY BUDGET NOTES

For FY 2026



DEPARTMENT OF EDUCATION

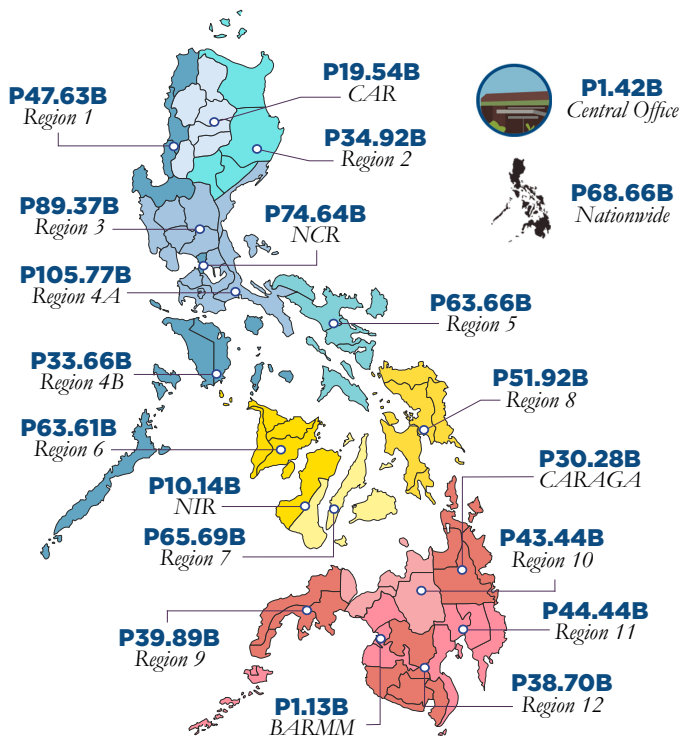


P874.53B
TOTAL NEW APPROPRIATIONS FOR 2026

COST STRUCTURE

P28.11B (3.2%) <i>General Admin and Support</i>	P4.94B (0.6%) <i>Support to Operations</i>	P841.48B (96.2%) <i>Operations</i>
--	---	---

REGIONAL ALLOCATION OF THE 2026 EXPENDITURE PROGRAM (P928.52B) (New and Automatic Appropriations)



ALLOCATION BY AGENCY

OSEC

P872,887.1M
(99.81%)



P812.0M
(0.09%)



P246.4M
(0.03%)



P207.1M
(0.02%)



P157.2M
(0.02%)



P152.1M
(0.02%)



P71.3M
(0.01%)

BREAKDOWN OF OPERATIONS BUDGET



P700.06B (83.2%)
Support to Schools and Learners Program



P117.47B (14.0%)
Basic Education Inputs Program



P13.76B (1.6%)
Education Policy Development Program



P5.92B (0.7%)
Inclusive Education Program



P3.38B (0.4%)
Education Human Resource Development Program
(Includes Foreign-Assisted Project)



P0.89B (0.1%)
OTHERS: Total Programs of Attached Agencies

QUICK FACTS



2024 Literacy Profile of Filipino Youth

10-24 years old

Literacy Level and Description

Rate (%)



Illiterate (cannot read and write)

2.6



Low Literate (can only read and write)

3.5



Basic Literate

(can read and write with understanding, can compute)

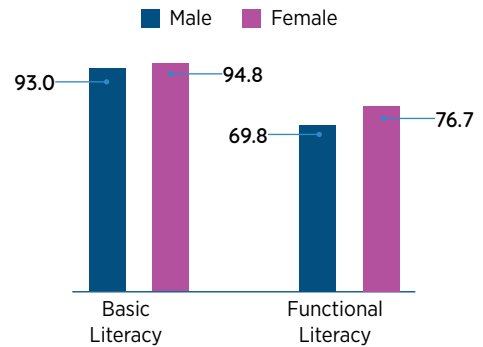
93.9



Functional Literate

(can read, write, compute, and comprehend)

72.6

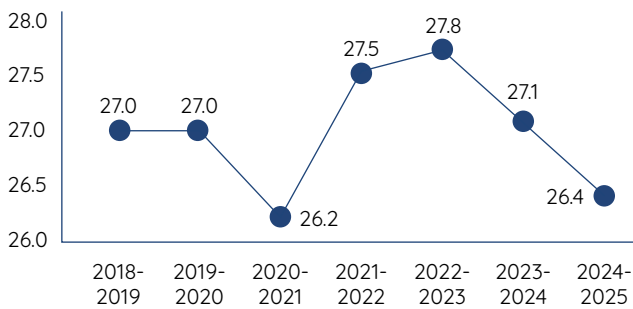


Source: Functional Literacy, Education, and Mass Media Survey (FLEMMS) 2024, Philippine Statistics Authority



Enrollment in the K-12 Program

in Millions, SY 2018-2019 to SY 2024-2025

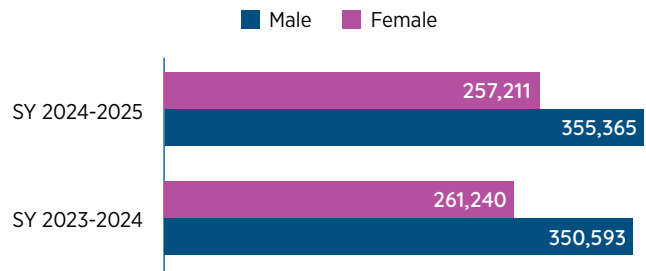


Source: Department of Education



Enrollment in Alternative Learning System (ALS)

SY 2023-2024 to SY 2024-2025

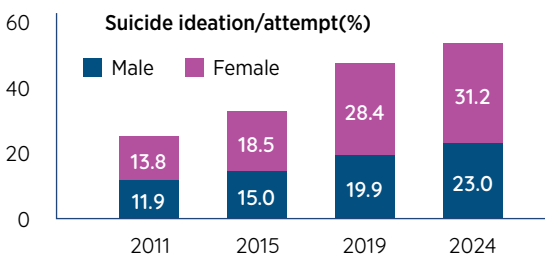


Source: Department of Education



Mental Health Among 13-17 years old

2011-2024

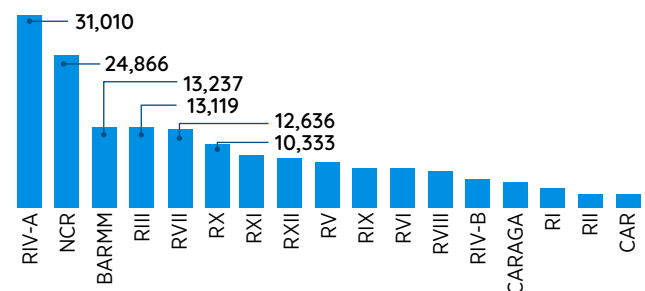


Source: Global School-based Health Survey, World Health Organization



Estimated Classroom Shortage by Region

2023



Source: Department of Education

Government Assistance to Private Education Program

Number of Beneficiaries

(SY 2022-2023 to 2024-2025)

Education Service Contracting (ESC)

for Junior High School (Grade 7-10)

2.71 Million

Senior High School Voucher Program (SHSVP)

for Grade 11-12

4.02 Million

Joint Delivery Voucher Program

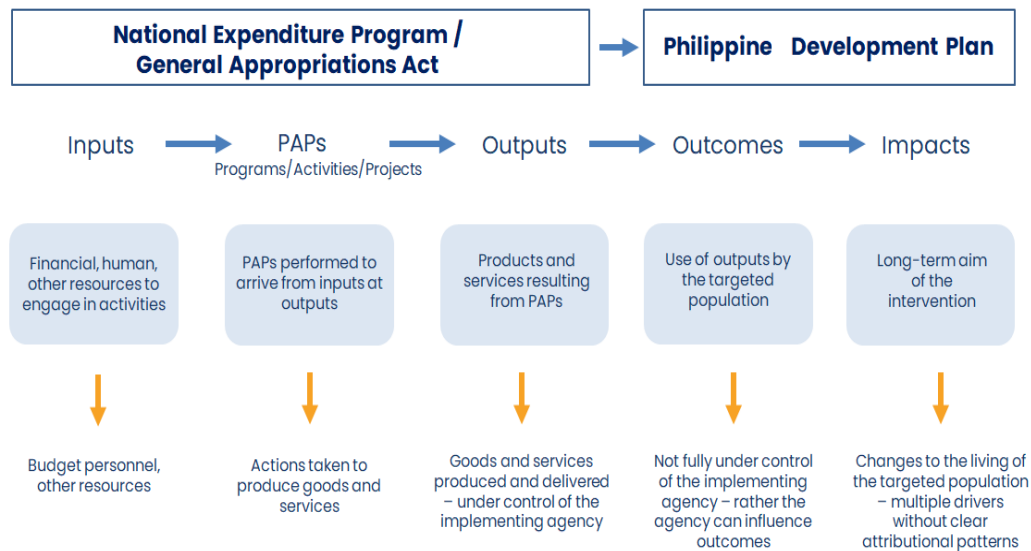
For qualified SHS learners- selected Technical-Vocational-Livelihood (TVL) specializations through eligible non-DepEd service providers

352,590

Source: The President's Report to the People (PRP) 2025

Results Accountability: “Dapat May Kwento ang Kwenta”

- ❑ The agency budget should inform Congress not only about proposed expenditures and past budget utilization, but more importantly, about the goods and services it delivers—and how these contribute to the results outlined in the development plan.
- ❑ The alignment of the **Agency Budget** to the **Philippine Development Plan (PDP) 2023–2028** is established through performance indicators across the results chain—from inputs and programs, activities, and projects (PAPs) to outputs, outcomes, and impacts. The PDP and its Results Matrices define outcome and impact indicators that track improvements in the lives of Filipinos, consistent with the 8-Point Socioeconomic Agenda and *Ambisyon Natin 2040*. The agency budget complements this by specifying output indicators, resource allocations, and the services to be delivered.



QUESTIONS:

- What key result areas in the Philippine Development Plan does the agency contribute to?
- Which PDP performance indicators are relevant to the agency, and what is the progress toward their targets?
- How do the agency’s programs, activities, and projects support PDP outcomes and impacts?
- What are the main outputs (products and services) delivered, and how do they contribute to PDP targets?
- How are budget allocations aligned with programs that advance PDP priorities?
- What is the agency’s budget utilization rate, and how does it relate to output delivery?
- How is efficiency being measured and improved in the use of resources?
- To what extent have outputs translated into meaningful outcomes and impacts?
- What challenges are hindering progress, and what corrective measures are being taken?
- What strategies are in place to sustain or strengthen the agency’s contribution to PDP goals in the coming years?

HIGHLIGHTS

- ❑ *Expenditure Program.* The 2026 proposed total expenditure program of the Department of Education (DepEd) and its attached agencies will amount to P928.52 billion. The Office of the Secretary (OSEC) practically accounts for the entire budget of the DepEd at 99.8% with an allocation of P926.83 billion. The increase in the Department's entire budget is also reflected in the OSEC's allocation, reaping 18.9% increase compared with the 2025 budget of P779.24 billion. The remaining 0.2% or P1.69 billion of the DepEd budget will be shared by all six (6) attached agencies: *National Book Development Board (NBDB); National Council for Children's Television (NCCT); National Museum (NM); Philippine High School for the Arts (PHSA); National Academy of Sports (NAS); and Teacher Education Council (TEC).* The previously DepEd-attached agency, the *Early Childhood Care and Development Council* with its 2026 budget, is transferred to the Department of the Interior and Local Government (DILG).

- ❑ *Allocation by Major Programs.* The DepEd has five (5) major programs under OSEC to which P840.59 billion or 99.9% of the P841.48 billion 2026 budget for operations will be lodged and distributed as follows: *a) Support to Schools and Learners Program or SSLP (P700.06 billion); b) Basic Education Inputs Program or BEIP (P117.47 billion); c) Education Policy Development Program or EPDP (P13.76 billion); d) Inclusive Education Program or IEP (P5.92 billion); and e) Education Human Resource Development Program or EHRDP* which also includes the foreign-assisted project for the enhancement of teacher effectiveness and competencies (P3.38 billion). The TEC as a newly-attached agency of DepEd will have P162.7 million initial budget for the *Quality Teacher Education Program*. The remaining amount of P726.7 billion will go to the operations of the other attached agencies.

Key Issues and Challenges

- ❑ *Huge unused appropriations.* The DepEd's unused appropriation continued to escalate increasing by 47.0% to P57.05 billion in 2024 from P38.80 billion in 2023. The huge unused appropriation represents 7.5% of the DepEd's total budget in 2024. The OSEC carries 99.3% of unused fund in the amount of P56.63 billion while the remaining amount of less than P500.0 million is shared by attached agencies. About 98.3% of unused funds of the DepEd accrue from unobligated allotments while only 1.7% are from unreleased appropriations for Maintenance and Other Operating Expenses (MOOE), Capital Outlay (CO) and Personnel Services (PS). The generally high OAR of the DepEd may indicate high efficiency spending. However, unused appropriation in such huge amount remains a fiscal concern given various issues and challenges in education resources and the overall budget deficit of the government.

- ❑ *Disproportionate regional allocation (Regions VI-Western Visayas, Region VII-Central Visayas, and the Negros Island Region).* Established in 2024 by virtue of RA 12000 or the "Negros Island Region Act", the NIR will have a budget of P10.14 billion for basic education programs, the second lowest budget among regions after BARMM. The NIR is composed of the provinces

of Negros Occidental, Negros Oriental, and Siquijor. In SY 2024-2025, the NIR registered the 9th highest number of public K-12 enrollment at 1,099,410, according to data from DepEd. Ironically, budgetary allotment for NIR is measly compared with other regions with far lower number of enrollment (e.g. CAR with lowest enrollment of 345,523 is allotted with P19.54 billion; CARAGA with enrollment of 686,161 will have budget of P30.28 billion, and Region 2-Cagayan Valley with enrollment of 778,723 will have budget of P34.92 billion). Additionally, enrollment in Region 6-Western Visayas, where the province of Negros Occidental including the City of Bacolod previously belonged to, also registered lower enrollment of 995,386 but is allotted with P63.61 billion for 2026 – more than six times higher than the amount allotted for NIR. Even the number of enrollment in Alternative Learning System (ALS) in SY 2024-2025 is higher in NIR (28,291) than in Region 6- (24,022). On the other hand, enrollment in Special Need Education (SNED) for SY 2024-2025 shows that Regions 6, 7 and NIR all have more than 4,000 learners with special needs.

- ❑ *Budget cuts in Inclusive Education Program.* The Inclusive Education Program (IEP) budget for 2026 will decline by 3.2% to P5.92 billion from P6.12 billion in 2025. Of the IEP subprograms, the *Indigenous Peoples Education (IPED)* will have the largest cut at 51.6% to P74.8 million from P154.4 million in 2025. The IPED is DepEd's program on promoting the rights of indigenous communities and indigenous learners to basic education that is responsive to their needs. A substantial reduction in IPED funding may need revisiting to ensure the inclusion of every IP in the appropriately designed basic education program.

The SNED budget under the IEP will also decline by 18.6% in 2026 to P850.0 million from P1.04 billion in 2025. The SNED Program aims to enhance access and upgrade the quality of education programs and services directed towards all recognized Special Education (SPED) Centers for elementary and secondary schools with classes for learners with special needs. Data from DepEd showed that the number of learners with special needs who are enrolled and mainstreamed in the K-12 program have increased by 10.9% from 82,347 in SY 2023-2024 to 91,337 in SY 2024-2025. Such increasing number of SNED learners may warrant a second look of the budget reduction for the program.

- ❑ *No specific budget allocation to effectively implement RA 12028 or the Academic Recovery and Accessible Learning (ARAL) Program.* Signed into law in 2024, the ARAL Program Act institutionalizes the efforts to address learning gaps and enhance learning outcomes by helping students get back on track. The ARAL program serves as DepEd's umbrella program for learning recovery, with specific focus on reading, mathematics, and science. The law's corresponding implementing rules and regulation (IRR) was signed in March 2025. However, funding requirements to implement the law are not yet specified in the 2026 budget, but subsumed instead to budget allocations for other existing programs (e.g. Basic Education Curriculum Program and Textbook and Other Learning Materials Program) with no substantial increase to cover the necessary fund requirements of the ARAL Program.
- ❑ *Chronically slow progress in addressing classroom shortage.* Construction of new classrooms remains slow with only 797 completed from 2022 to 2024 despite sufficient funding allocation (P5.95 billion in 2022, P23.41 billion in 2023, and P33.86 billion in 2024) which could have

built about 20,000 classrooms depending on which cost estimate to use. The DepEd estimated the cost of single classroom at P2.5 million while DPWH's at P3.5 million. Poor accomplishment level is reflected in the program's low budget utilization of 46.3% obligation rate and 25.4% disbursement rate. The failure to accelerate the construction of school buildings continues to put learners and teachers at the disadvantage by constantly experiencing classroom congestion and inadequate learning resources and facilities.

- ❑ *Creation of Plantilla Positions for Mental Health Care Professionals in School.* Pursuant to Section 9 of the recently enacted RA 12080 or the “Basic Education Mental Health and Well-Being Promotion Act” in December 2024, the DBM in consultation with the DepEd, the CSC and relevant professional organizations, shall create School Counselor positions in various salary grade levels from SG 11 (entry level) to SG 24 (supervisory level). This landmark law is in response to the growing concern on bullying in schools and mental health challenges among young learners which affect their academic performance, social development and overall well-being. The law directs public schools to establish Mental Health and Well Being Offices and get the services of more school counselors and mental health professionals. Once in place, there shall be additional budgetary requirements for DepEd for PS.
- ❑ *Major Audit Findings.* Pending the release and publication of the 2024 Annual Audit Report of the Commission on Audit (COA), a reiteration of the 2023 findings may be useful. Major findings in 2023 include *substantial amount of unused funds* at P37.73 billion incurred by OSEC, which was mainly attributed to the delayed/partial/non-implementation of various programs, activities and projects (PAPs) and thousands of unfilled plantilla positions.

Zero accomplishment rate of the DepEd Computerization Program. The objectives of the DepEd Computerization Program (DCP) were not realized when the program registered low budget and disbursement utilization rates of only 50.1% and 23.3% , respectively, and at the same time reflected a zero accomplishment rate due to the Central Office's (CO) inability to complete the procurement process for DCP FY 2023 in time for the proposed execution date indicated in the DepEd's Annual Procurement Plan.

Irregularities in the implementation of the DepEd Enterprise Resource Planning System (DERPS) Project. Part of the DepEd Computerization Program (DCP) is the automation of common organizational processes through the DERPS which was launched in 2019. The DERPS covers the infrastructure, software, and change management services needed to implement an integrated system for asset management, procurement, payroll, and human resources. The procurement of the DERPS system was coursed through the Procurement Service of the Department of Budget and Management (PS-DBM). DepEd paid P1.06 billion or 78.5% of the total project cost of P1.36 billion for the DERPS despite the following:

- a) non-completion of the project within the agreed timeframe;
- b) non-adherence to prescribed rules and regulations and the terms of the contract and non-observance of sound management;
- c) the questionable capacity/expertise of the PS-DBM to undertake a highly technical project;

- d) non-delivery or implementation of the intended project's milestones but with issued Certificate of Completion and Acceptance (COCA); and
- e) absence of pertinent documents to support the fund transfer and the liquidations thereof.

Delays in the implementation and completion of Last Miles School Program (LMSP). The DepEd was not able to attain the objective of the LMSP when the CO stalled to accomplish its centrally-procured LMS construction projects funded from CY 2021 budget, wherein 76 out of 98 facilities with total contract cost of P1.41 billion were still not completed as of audit year 2023. despite payment of mobilization fees of P211.2 million; and had not undertaken legal remedies such as the imposition of liquidated damages on the delayed implementation for as long as 555 days and the eventual termination of contracts, to enable the protection of its interests.

Non-adherence to Gender and Development (GAD) funding allocation requirements and other related processes. The DepEd failed to allot the required 5% of the total agency budget for GAD projects and activities when it only reached 0.68% or P676.14 million of the P678.14 billion budget for FY2023. As a consequence, the Philippine Commission on Women (PCW) did not endorse DepEd's Agency-consolidated GAD Plan and Budget (GPB) to the DBM for approval. The absence of PCW-endorsed GPB resulted in the lack of assurance whether the planned activities, targets and indicators were properly identified or formulated to address gender issues and conforming with the provisions of RA 9710 or the "Magna Carta of Women". Other noted deficiencies include:

- a. Failure to establish a separate Responsibility Center (RC) and RC code for GAD-related financial transactions contrary to COA Circular No. 2021-008 dated September 6, 2021; and
- b. Absence of a GAD Agenda and Strategic Framework, non-maintenance of the GAD database containing gender statistics and sex-disaggregated data (SDD), and inability to use the Harmonized Gender and Development Guidelines (HGDG) tool in the planning, budgeting, monitoring and evaluation of GAD PAPs, have cast doubts on whether these activities were effectively identified and have addressed the needs or gender issues and concerns in the Department.

TABLE OF CONTENTS

	Page
I. Mandates and Organizational Outcomes	1
II. Sources of Appropriations	3
Table 1 Sources of Funds DepEd, 2024-2026	3
III. Expenditure Program	4
Table 2 Expenditure Program by Agency, 2024-2026	4
Table 3 Expenditure Program by General Expense Class, 2024-2026	5
Table 4 Number of Authorized and Unfilled Positions by Agency, 2023-2026	6
Table 5 Regional Distribution of the DepEd Budget, 2024-2026	8
IV. New Appropriations	9
Table 6 New Appropriations by Agency and Cost Structure, 2026	10
Table 7 Summary of Programs for 2024-2026	11
V. Performance Review	18
Table 8 Obligations-Appropriations Ratio and Unused Appropriations, 2022-2024	19
Table 9 Disbursement Rate by Agency, 2023-2024	20
Table 10 Budget Utilization by Major Program, 2024	21
Table 11 Performance Indicators of Major Programs, 2022-2026	23
VI. COA Findings and Recommendations	28
ANNEX Expenditure Program by Agency and by General Expense Class, 2024-2026	35

DEPARTMENT OF EDUCATION*

I. MANDATE AND ORGANIZATIONAL OUTCOMES

- 1.1. **Mandate.** Established by virtue of Republic Act (RA) No. 9155 to help attain the goal of achieving quality education for all, the DepEd is mandated to formulate, implement, and coordinate policies, plans, programs, and projects in the areas of formal and non-formal basic education. The Department of Education (DepEd) supervises all basic education institutions and provides for the establishment and maintenance of a complete, adequate, and integrated system of basic education relevant to the goals of national development.
- 1.2. **Organizational Outcome (OOs).** The encompassing goal of the education sector as provided in the Philippine Development Plan (PDP 2023-2028) is to ensure the provision of transformative lifelong learning opportunities for all Filipinos. Correspondingly, the DepEd aims to achieve quality, inclusive, adaptive, resilient, and future-ready basic education for all through the provision of access to an enhanced basic education program that prepares learners for further education and the world of work.
- 1.3. In support of the education sector's goal of achieving quality basic education, DepEd has six (6) attached agencies with respective organizational outcomes:
 - **National Book Development Board (NBDB)** - Local book publishing industry developed;
 - **National Council for Children's Television (NCCT)** - Quality child-friendly television programs promoted;
 - **National Museum (NM)** - Management and preservation of museums, collections, and cultural properties strengthened;
 - **Philippine High School for the Arts (PHSA)** - Access of artistically gifted students to complete quality secondary education achieved;
 - **National Academy of Sports (NAS)** - Access of sports-inclined students to a quality and enhanced secondary education, and high-quality sports program in world class

* This document was prepared by Cynthia R. Lorenzo as input to the deliberations of the House Committee on Appropriations on the FY 2026 proposed National Budget. The report benefitted from the inputs of SPRS Director Rosemarie R. Samali, SERB Executive Director Manuel P. Aquino, and Deputy Executive Director Pamela D. Manalo, with the overall guidance of the CPBRD Deputy Secretary General Romulo E.M. Miral, Jr. Ph.D. The layout/design of the infographics by the Publication Team is also acknowledged. The views, perspectives, and interpretations in this Agency Budget Notes do not necessarily reflect the positions of the House of Representatives as an institution or its individual Members. A copy of this publication is available at the CPBRD's website: cpbrd.congress.gov.ph.

sports facilities enabling them to excel in their respective sports and pursue their chosen future education, profession or career achieved.

- **Teacher Education Council (TEC)** – Excellence in Teacher Education ensured (new DepEd attached agency).

Pursuant to RA 11713 or the “Excellence in Teacher Education Act”, the TEC was strengthened and was placed under the DepEd as an attached agency with dedicated budgetary appropriations beginning FY 2026. On the other hand, the Early Childhood Care and Development Council (ECCDC), pursuant to RA 12199 or “Early Childhood Care and Development System Act”, was transferred to the Department of the Interior and Local Government (DILG) as its new attached-agency beginning FY 2026. Nonetheless, the DepEd Secretary remains as the Council’s ex officio Co-Chairperson particularly for ECCD Curriculum and all matters related to early childhood education.

1.4 The DepEd plays a critical role in the Philippine government's development agenda, particularly in achieving **quality, inclusive, adaptive, resilient and future-ready basic education for all** as outlined in the Philippine Development Plan (PDP) 2023-2028. Based on the PDP 2023-2028 Results Matrices, key performance indicators relevant to the DepEd’s goal of improving quality basic education are shown below.

Chapter Outcome: Quality, inclusive, adaptive, resilient, and future-ready basic education for all achieved
<ul style="list-style-type: none"> • Retention rate increased (%) • Completion rate increased (%) • Net enrollment rate increased (%); • Cohort survival rate increased (%); • Dropout rate decreased (%);
<ul style="list-style-type: none"> • Proportion of learners achieving at least nearly proficient and proficient in the National Achievement Test increased (%) • Ranking in International Large-Scale Assessments (ILSAs) improved
<ul style="list-style-type: none"> • Classroom to pupil ratio improved • Water and sanitation facility to pupil ratio improved
<ul style="list-style-type: none"> • Proportion of public schools with functional computers increased (%) • Proportion of public schools with internet access increased (%)

1.5 As mandated by the Constitution, the education sector is allocated with the highest annual budgetary priority for 2026. The amount of P1.224 trillion which is 18.0% of the 2026 proposed national budget will fund the country’s investment in education. This substantial increase finally meets the recommended education spending of the UNESCO Education 2030 Framework for Action to allocate 4.0 to 6.0 percent of GDP or 15% to 20% of the total public expenditure to education. This reflects the government’s commitment to fully invest in human capital development commencing in the early years, youth empowerment and promotion of lifelong learning across different age-groups.

1.6. Of the P1.224 trillion, P928.52 billion or 75.9% will go to the delivery and enhancement of basic education under the DepEd.¹ This amount is higher by 18.7% from the P782.20 billion allocation in the 2025 General Appropriations Act (GAA).

II. SOURCES OF APPROPRIATIONS

2.1. The 2026 proposed total available appropriations for the DepEd and its attached agencies will amount to P928.52 billion which consists of P874.53 billion (94.2%) in new appropriations and P53.99 billion (5.8%) in automatic appropriations. Note that the DepEd's 2026 total available appropriations and total obligations are equal and the latter is higher by P146.35 billion or 18.7% than the P782.17 billion in total obligations in 2025 which is net of unused appropriations in the amount of P49.72 billion (Table 1).

TABLE I
SOURCES OF FUNDS, 2024-2026
DEPARTMENT OF EDUCATION

Particulars	Amounts (In Million Pesos)			Share to Total Appropriations		
	2024	2025	2026	2024	2025	2026
New Appropriations	717,663.5	737,084.5	874,533.1	87.8	88.6	94.2
Supplemental Appropriations	-	-	-	-	-	-
Automatic Appropriations	47,959.7	45,086.5	53,986.1	5.9	5.4	5.8
Continuing Appropriations	33,278.7	49,716.8	-	4.1	6.0	-
Budgetary Adjustments	18,128.5	-	-	2.2	-	-
Total Available Appropriations	817,030.4	831,887.8	928,519.2	100.0	100.0	100.0
LESS: Unused Appropriations	57,051.1	49,716.8	-	7.0	(6.0)	-
Total Obligations	759,979.3	782,171.0	928,519.2	93.0	94.0	100.0

Source of basic data: NEP 2026

2.2. The 2025 continuing appropriations of the DepEd which amounted to P49.72 billion is 49.4% higher compared with the P33.28 billion in 2024. Continuing appropriations are unused appropriations from the previous year that are carried over to the next fiscal year, particularly unreleased appropriations and unobligated releases for Maintenance and Other Operating Expenses (MOOE), Capital Outlay (CO) and Personnel Services (PS).

2.3 In 2024, the DepEd recorded a balance of P18.12 billion in budgetary adjustments from the releases of P11.65 billion for Miscellaneous Personnel Benefits Fund (MPBF) and the Pension and Gratuity Fund (PGF), and P33.10 billion of unprogrammed appropriation (for payment of MBFP, Pension and Gratuity Fund, and Foreign-Assisted Project), and the transfer of P26.63 billion to the Department of Public Works and Highways (DPWH) for the construction of school buildings, laboratories, and sanitation facilities under the Basic

¹ The total proposed budget for the education sector includes DepEd, Commission on Higher Education (CHED), State Universities and Colleges (SUCs), and Technical Education and Skills Development Authority (TESDA)

Education Facilities program. Budgetary adjustments are transfers made to or from other agencies and Special Purpose Funds (SPFs) within the fiscal year.

III. EXPENDITURE PROGRAM

- 3.1. **Expenditure Program by Agency.** The 2026 proposed total expenditure program of the DepEd will amount to P928.52 billion (Table 2). The OSEC practically accounts for the entire budget of the DepEd at 99.8% with an allocation of P926.83 billion. The increase in the Department’s entire budget is also reflected in the OSEC’s allocation, reaping 18.9% increase compared with the 2025 budget of P779.24 billion.
- 3.2 The remaining 0.2% or P1.69 billion of the DepEd budget will be shared by all six (6) attached agencies (NBDB, NCCT, NM, PHSA, NAS, and TEC). The previously DepEd-attached agency, ECCDC, with its 2026 budget, is transferred to DILG. The initial budget of the TEC is P207.5 million for FY 2026.

TABLE 2
EXPENDITURE PROGRAM BY AGENCY, 2024-2026
DEPARTMENT OF EDUCATION

Particulars	Amounts (In Million Pesos)			Share to Total (%)		
	2024	2025	2026	2024	2025	2026
	Actual	Program	Proposed	Actual	Program	Proposed
Office of the Secretary	757,590.6	779,243.0	926,829.6	99.69	99.63	99.82
National Book Development Board	239.1	348.4	156.6	0.03	0.04	0.02
National Council for Children’s Television	78.3	111.7	72.6	0.01	0.01	0.01
National Museum	1,345.7	1,589.0	841.0	0.18	0.20	0.09
Philippine High School for the Arts	116.7	153.3	160.7	0.02	0.02	0.02
Early Childhood Care Development Council	316.8	419.3	-	0.04	0.05	-
National Academy of Sports	292.2	306.3	251.1	0.04	0.04	0.03
Teacher Education Council	-	-	207.5	-	-	0.02
TOTAL DepEd	759,979.3	782,171.0	928,519.2	100.00	100.00	100.00

Source of basic data: BESF 2026

- 3.3 Among attached agencies, only the PHSA will have an increase, though measly at P7.4 million or 4.8% to P160.7 million from P153.3 million in 2025. Other agencies will have substantial decreases such as the NM with a budget reduction of 47.0% to P841.0 million from P1.59 billion in 2025. The NBDB will also have a reduced allocation of 55.0% to P156.6 million from P348.4 million in 2025.

3.4. **Expenditure Program by Expense Class.** As shown in Table 3, the DepEd’s 2026 proposed expenditure program comprises: (i) P704.17 billion or 75.8% for Personnel Services (PS); (ii) P182.53 billion or 19.7% for Maintenance and other Operating Expenses (MOOE); and (iii) P41.82 billion or 4.5% for Capital Outlay (CO). The DepEd’s expenditure for CO is mainly for the implementation of the school facilities program under OSEC in partnership with the DPWH.

TABLE 3
EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2024-2026
(AMOUNTS IN MILLION PESOS) DEPARTMENT OF EDUCATION

Particulars	Amounts (In Million Pesos)			Share to Total (%)		
	2024	2025	2026	2024	2025	2026
	Actual	Program	Proposed	Actual	Program	Proposed
PS	612,281.4	589,645.5	704,170.3	80.6	75.4	75.8
MOOE	137,275.6	157,742.6	182,526.5	18.1	20.2	19.7
CO	10,422.3	34,782.9	41,822.3	1.4	4.4	4.5
Fin Ex	-	-	-	-	-	-
TOTAL DepEd	759,979.3	782,171.0	928,519.2	100.0	100.0	100.0

Source of basic data: BESF 2026

3.5 The DepEd’s PS will increase by 19.4% to P704.17 billion from P589.65 in 2025. This substantial increment in PS is attributed to the increase in filled-up authorized positions, particularly in the OSEC, that necessitate corresponding budgetary allotment (*see further discussion in Sections 3.8 to 3.9*).

3.6 The 2026 budget for MOOE will likewise increase to P182.53 billion from P157.74 in 2025. Expenditure items under MOOE include supplies and materials, research, travel, training and scholarships, and financial assistance, among others. These also include expenses for the payment of professional services for short term engagements under Contract of Service (COS) and/or Job Order (JO). Based on the inventory of the Civil Service Commission (CSC), the DepEd has a total of 18,781 COSs/JOs which represent 10.5% of the 178,320 COSs/JOs in the government as of June 30, 2024. The continuing and increasing number of COS/JOs in the bureaucracy may be concerning and should be resolved to allow for the provision of security of tenure for all workers in government. However, in the case of DepEd, more personnel are needed other than teachers, such as administrative assistants, and mental health professionals to handle non-teaching related concerns that are equally important in achieving quality education. Pending the creation of plantilla positions for the aforementioned items, the hiring or engagement of COS/JO remains a feasible option as a temporary measure.

3.7 The DepEd’s budget for Capital Outlay (CO) will increase by 20.2% to P41.82 billion in 2026 from P34.78 billion in the previous year. The higher budgetary allotment for CO aims

to accelerate the government’s school infrastructure program including last mile schools and to continuously address the more than 160,000 classroom shortage across different regions.

3.8 **Staffing Summary.** Since 2023, the total authorized positions in the DepEd including its attached agencies has increased by roughly 3.0% (from 1,031,688 in 2023 to 1,059,143 in 2026). The increment is attributed mainly in the OSEC where school personnel comprised 99.9% of plantilla positions (Table 4).

3.9 **Unfilled positions.** Unfilled positions in the DepEd and its attached agencies in 2023 totaled 51,237 or 5.0% of the total authorized positions. This decreased to 49,398 in 2024 and further down to 40,682 in 2025, reflecting a reduction of 20.6%. For 2026, the number of unfilled positions will only be slightly higher with the inclusion of additional 46 unfilled positions of the TEC for a total of 40,702. The rate of unfilled positions, however, will still be lower at 3.5% of the total authorized positions.

TABLE 4
NUMBER OF AUTHORIZED AND UNFILLED POSITIONS BY AGENCY, 2023-2026
DEPARTMENT OF EDUCATION

Agency	Authorized Positions				Unfilled Positions			
	2023	2024	2025	2026	2023	2024	2025	2026
OSEC	1,030,893	1,058,349	1,058,232	1,058,204	51,033	49,189	40,530	40,506
NBDB	79	79	79	79	20	17	16	16
NCCT	21	21	21	21	6	4	4	4
NM	545	633	633	633	117	137	87	87
PHSA	66	66	75	75	17	15	21	21
ECCDC	3	3	3	-	2	2	2	-
NAS	81	81	81	81	42	34	22	22
TEC	-	-	-	50	-	-	-	46
TOTAL DepEd	1,031,688	1,059,232	1,059,124	1,059,143	51,237	49,398	40,682	40,702

Source: Staffing Summary 2025-2026

3.10 Amid perennial challenge of filling up all vacant positions, the DepEd continues to create new personnel positions under its Basic Education Inputs program (BEIP) to achieve the standard teacher to student ratio and to ease teachers with non-teaching tasks. For School Year 2025-2026, the Department of Budget and Management (DBM) has approved the creation of about 16,000 new teaching positions to ensure sufficient manpower in public schools and boost the teaching workforce across Kindergarten, Elementary, Junior High School (JHS), Senior High School (SHS), and the Alternative Learning System (ALS) of DepEd. The approved new positions include 15,343 Teacher I posts (Salary Grade 11); 157

Special Science Teachers (Salary Grade 13); and 500 Special Education (SPED) Teachers (Salary Grade 14)².

- 3.11 *Creation of Plantilla Positions for Mental Health Care Professionals in School.* Pursuant to Section 9 of the recently enacted RA 12080 or the “Basic Education Mental Health and Well-Being Promotion Act” in December 2024, the DBM in consultation with the DepEd, the CSC and relevant professional organizations, shall create School Counselor position in various salary grade levels from SG 11(entry level) to SG 24 (supervisory level). This landmark law is in response to the growing concern on bullying in schools and mental health challenges among young learners which affect their academic performance, social development and overall well-being. The law directs public schools to establish Mental Health and Well Being Offices and get the services of more school counselors and mental health professionals. Once in place, there shall be additional budgetary requirements for DepEd for PS.
- 3.12 In addition to assisting students with their mental health, the growing cases of physical bullying, and other forms of violence in schools are of equal concern which should be given attention by school authorities by ensuring that security protocols are in place and strictly enforced. In keeping schools a safe place for students and school personnel, no less than President Ferdinand Marcos, Jr. called on the DepEd, DILG and the Philippine National Police to take immediate action and be vigilant in monitoring violent incidents in school premises.³
- 3.13 ***Regional Allocation.*** The 2026 proposed total appropriations for the DepEd is distributed per region inclusive of the Nationwide and Central Office budget of P68.66 billion and P1.42 billion, respectively, with a combined share of 7.6% of the total DepEd budget (Table 5). The budget for Nationwide reflects a 153.9% increment compared with the 2025 budget of P27.04 billion in 2025. Allocations for Nationwide refers to budget for programs with nationwide application but the regional distribution of the funds is not yet determined at the time of budget preparation (e.g., Education Service Contracting and Vouchers Program). The downloading of said funds is done during budget execution, resulting in the distribution being reflected only by the end of the fiscal year. For Central Office allocation, the 2026 budget declines by 35.6% to P1.42 billion from P2.21 billion in 2025. Central Office pertains to allocation being managed by the Head Office of departments/agencies for their respective units.
- 3.14 All regions will have corresponding increase in their 2026 budget except for the Bangsamoro Autonomous Region for Muslim Mindanao (BARMM) which declines by P268.4 million or 19.2% to P1.13 billion from P1.40 billion in 2025. A special provision in the 2026 proposed

² Philippine News Agency. May 18, 2025. DBM OKs 16K new teaching positions for SY 2025-2026 <https://www.pna.gov.ph/articles/1250334#:~:text=MANILA%20%E2%80%93%20The%20Department%20of%20Budget,where%20they%20are%20most%20needed>.

³ *Inquirer.net*. August 17, 2025. *Keep Schools a Safe Space*. <https://opinion.inquirer.net/185425/keep-schools-as-a-safe-space>

budget specifies that the DepEd shall continue to implement the government assistance and subsidies programs for beneficiaries - learners, teachers, and schools - in the BARMM, specifically the Education Service Contracting (ESC) for JHS and the Voucher Program for SHS.

TABLE 5
REGIONAL DISTRIBUTION OF BUDGET, 2024-2026 (AMOUNTS IN MILLION PESOS)
DEPARTMENT OF EDUCATION

Region	2024 Actual		2025 Program		2026 Proposed	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Nationwide	-	-	27,038.9	3.5	68,661.9	7.4
Central Office	78,203.8	10.3	2,213.7	0.3	1,424.8	0.2
National Capital Region (NCR)	55,302.1	7.3	65,257.7	8.3	74,644.3	8.0
Cordillera Autonomous Region (CAR)	16,439.3	2.2	18,110.5	2.3	19,539.3	2.1
Region 1- Ilocos Region	39,383.6	5.2	42,522.5	5.4	47,625.5	5.1
Region 2 - Cagayan Valley	29,153.0	3.8	31,065.1	4.0	34,923.2	3.8
Region 3 - Central Luzon	69,947.0	9.2	77,925.0	10.0	89,366.4	9.6
Region 4A – CALABARZON	80,133.8	10.5	92,122.2	11.8	105,768.3	11.4
Region 4B – MIMAROPA	26,763.2	3.5	28,793.6	3.7	33,656.4	3.6
Region 5 - Bicol Region	53,579.9	7.1	55,958.3	7.2	63,663.8	6.9
Region 6 - Western Visayas	56,664.1	7.5	61,863.5	7.9	63,607.3	6.9
Negros Island Region	-	-	-	-	10,140.4	1.1
Region 7 - Central Visayas	55,588.7	7.3	61,228.1	7.8	65,692.5	7.1
Region 8 - Eastern Visayas	43,595.7	5.7	45,253.6	5.8	51,920.6	5.6
Region 9 - Zamboanga Peninsula	31,223.8	4.1	34,269.8	4.4	39,892.1	4.3
Region 10 - Northern Mindanao	34,880.2	4.6	37,783.8	4.8	43,437.9	4.7
Region 11 - Davao Region	33,842.7	4.5	38,889.0	5.0	44,440.2	4.8
Region 12 – SOCCSKSARGEN	30,569.0	4.0	33,664.6	4.3	38,702.7	4.2
Region 13 – CARAGA	24,709.4	3.3	26,815.3	3.4	30,284.0	3.3
Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)	-	-	1,396.0	0.2	1,127.6	0.1
TOTAL	759,979.3	100.0	782,171.0	100.0	928,519.2	100.0

Source of basic data: BESF 2026

3.15 Region 4-A or CALABARZON, which has the highest yearly share of K-12 enrollment has the biggest share of the DepEd 2026 budget at P105.77 billion or 11.4%. Compared with the 2025 budget of 92.12 billion, its 2026 allocation will have an increase of P13.65 billion or 14.8%. Regions with highest increments in the 2026 budget include: a) Region 4-B or MIMAROPA (16.9%) b) Region 9-Zamboanga Peninsula (16.4%) and c) Regions 10-Northern Mindanao and 11-Davao Region, both with 15% increases in their respective 2026 budget. Regions with the least increments in the 2026 budget include the Cordillera Autonomous Region (7.9%) and Region 6-Western Visayas (2.8%).

3.16 *Appropriation for the Negros Island Region (NIR).* Established in 2024 by virtue of RA 12000 or the “Negros Island Region Act,” the NIR will have a budget of P10.14 billion for basic education programs, the second lowest budget among regions after BARMM. The NIR is composed of the provinces of Negros Occidental, Negros Oriental, and Siquijor. In SY 2024-2025, the NIR registered the 9th highest number of public K-12 enrollment at 1,099,410, according to data from DepEd. Ironically, budgetary allotment for NIR is measly compared with other regions with far lower number of enrollment (e.g. CAR with lowest enrollment of 345,523 is allotted with P19.54 billion; CARAGA with enrollment of 686,161 will have budget of P30.28 billion, and Region 2-Cagayan Valley with enrollment of 778,723 will have budget of P34.92 billion).

Additionally, enrollment in Region 6-Western Visayas, where the province of Negros Occidental including the City of Bacolod previously belonged to, also registered lower enrollment of 995,386 but is allotted with P63.61 billion for 2026 – more than six times higher than the amount allotted for NIR. Even the number of enrollment in ALS in SY 2024-2025 is higher in NIR (28,291) than in Region 6-WV (24,022). On the other hand, enrollment in Special Need Education (SNED) for SY 2024-2025 shows that Regions 6, 7 and NIR all have more than 4,000 learners with special needs.

3.17 While the 2026 regional budget reflects a reduced allocation for Regions 6 (-16.6%) and Region 7 (-8.14%) due to the transfer of three provinces to NIR, the same is not reflected in the DepEd’s regional budget wherein both regions 6 and 7 even record increments of 2.8% and 7.3%, respectively. Noting these seemingly disproportionate shares of regional budget allocations for the basic education sector, it may be prudent to assess and ascertain how budgeting can be made more equitable to take into account and consider the population of learners as among foremost and basic considerations.

IV. NEW APPROPRIATIONS

4.1. ***By Agency and Cost Structure.*** The proposed new appropriations of DepEd for 2026 amounts to P874.53 billion (Table 6). The OSEC will receive 99.8% of the total new appropriations amounting to P872.89 billion. The remaining P1.64 billion or 0.2% will be shared by the six attached agencies (NBDB, NCCT, NM, PHSA, NAS, and TEC).

4.2 The total new appropriations is distributed by cost structures. The biggest portion of DepEd’s new appropriations will be allotted for *Operations* amounting to P841.48 billion or 96.2% which is intended for programs directly relating to the core mandate of the agency. Subsumed in the budget for Operations are Foreign-assisted projects under OSEC – a) P458.3 million for the Teacher Effectiveness and Competencies Enhancement Program (TEACEP) under the Education Human Resource Development Program (EHRDP); and b) P9.39 billion for Infrastructure for Safer and Resilient Schools Project (ISRSP). Among

attached agencies, the NM and PHSA have smaller allotment for operations compared with allotment for GAS.

TABLE 6
NEW APPROPRIATIONS BY AGENCY AND COST STRUCTURE, FY 2026
DEPARTMENT OF EDUCATION

Agency	Amounts (In Million Pesos)				Share to Total Agency (%)			
	GAS	STO	Operations	Total Agency	GAS	STO	Operations	Total
OSEC	27,360.6	4,934.9	840,591.6	872,887.1	3.1	0.6	96.3	100.0
NBDB	40.4	-	111.6	152.1	26.6	0.0	73.4	100.0
NCCT	21.9	-	49.3	71.3	30.8	0.0	69.2	100.0
NM	424.9	3.9	383.1	812.0	52.3	0.5	47.2	100.0
PHSA	103.3	-	53.9	157.2	65.7	0.0	34.3	100.0
NAS	117.6	-	128.8	246.4	47.7	0.0	52.3	100.0
TEC	44.4	-	162.7	207.1	21.4	0.0	78.6	100.0
TOTAL	28,113.2	4,938.8	841,481.1	874,533.1	3.2	0.6	96.2	100.0

Source of basic data: NEP 2026

- 4.3. *General Administration and Support (GAS)* has the second biggest allotment of P28.11 billion (3.2%) for the administrative management and operational support to agency operations. Of the huge budget of the OSEC, only 3.1% is allotted for GAS while attached agencies have higher share of allotment for their respective GAS ranging from 21.4% (TEC) to as high as 65.7% (PHSA).
- 4.4. *Support to Operations (STO)* is allotted P4.94 billion (0.6%) for the expenses on staff or technical support needed for operations that do not directly produce goods or services to the agency's client group. Only OSEC and NM have budget allotment for STO at P4.93 billion and P3.9 million, respectively.
- 4.5. **Summary of Programs.** The DepEd has five (5) major programs under OSEC to which P840.59 billion or 99.9% of the P841.48 billion 2026 budget for operations will be lodged, distributed as follows: *a) Support to Schools and Learners Program or SSLP* (P700.06 billion); *b) Basic Education Inputs Program or BEIP* (P117.47 billion); *c) Education Policy Development Program or EPDP* (P13.76 billion); *d) Inclusive Education Program or IEP* (P5.92 billion); and *e) Education Human Resource Development Program or EHRDP* which also includes the foreign-assisted project for the enhancement of teacher effectiveness and competencies (P3.38 billion). Tables 7-A and 7-B present the allocations for the different programs of DepEd with select subprograms.
- 4.6 The OSEC's budget for operations to implement its major programs will have an increase of P131.25 billion or 18.5%, amounting to P840.59 billion from P709.34 billion in 2025. The SSLP is the largest program of DepEd taking more than 80.0% of the DepEd budget for operations. The program will have an increase of P99.80 billion or 16.6% and amount

to P700.06 billion in 2026. Of this amount, P625.49 billion or 89.35% will go to the regular operations of the more than 57,000⁴ public schools in the country offering Elementary, JHS and SHS programs.

TABLE 7-A
SUMMARY OF PROGRAMS FOR 2024-2026
DEPARTMENT OF EDUCATION

Program (Implementing Agency)	Amount (In Million Pesos)			% Share to Total Program			Growth Rates '24-'25 (%)
	2024	2025	2026	2024	2025	2026	
OSEC							
1. Support to Schools and Learners Program	570,406.1	600,261.2	700,058.5	83.1	84.6	83.3	16.6
<i>Of which:</i>							
<i>School-Based Feeding Program</i>	11,711.1	11,776.9	11,776.9	1.7	1.7	1.4	-
<i>Operation of Schools - Elementary (Kinder to Grade 6)</i>	290,846.0	303,918.2	358,132.8	42.4	42.8	42.6	17.8
<i>Operation of Schools - Junior HS (Grade 7 to Grade 10)</i>	165,841.0	169,471.4	197,734.7	24.2	23.9	23.5	16.7
<i>Operation of Schools - Senior HS (Grade 11 to Grade 12)</i>	50,751.7	53,823.5	69,618.8	7.4	7.6	8.3	29.3
<i>Government Assistance and Subsidies - Education Service Contracting (ESC) Program for Private Junior High School</i>	12,689.9	12,077.2	12,362.5	1.8	1.7	1.5	2.4
<i>Government Assistance and Subsidies - Voucher Program for Private Senior High School</i>	26,311.4	27,024.7	26,487.7	3.8	3.8	3.2	(2.0)
<i>Joint Delivery Voucher for Senior High School Technical Vocational Livelihood Specializations</i>	1,479.5	1,409.5	2,225.9	0.2	0.2	0.3	57.9
2. Basic Education Inputs Program	92,184.3	87,525.6	117,471.4	13.4	12.3	14.0	34.2
<i>Of which:</i>							
<i>New School Personnel Positions</i>	26,201.9	32,312.1	42,298.4	3.8	4.6	5.0	30.9
<i>Learning Tools and Equipment</i>	3,948.7	3,546.1	2,888.7	0.6	0.5	0.3	(18.5)
<i>Textbooks and Other Instructional Materials</i>	12,038.9	12,412.0	11,158.0	1.8	1.7	1.3	(10.1)
<i>Computerization Program</i>	8,902.1	2,430.6	16,448.9	1.3	0.3	2.0	576.8
<i>Basic Education Facilities</i>	33,855.9	28,056.0	37,445.9	4.9	4.0	4.5	33.5
<i>Last Mile Schools Program</i>	3,000.0	4,500.0	3,000.0	0.4	0.6	0.4	(33.3)
<i>Quick Response Fund</i>	3,000.0	3,000.0	3,000.0	0.4	0.4	0.4	-
3. Education Policy Development Program	13,901.3	12,645.4	13,756.6	2.0	1.8	1.6	8.8
4. Education Policy Development Program	13,901.3	12,645.4	13,756.6	2.0	1.8	1.6	8.8

Note: The amounts for Programs and Total Operations include the proposed amounts for Projects which were presented separately from the regular programs under Operations in the 2024 and 2025 GAA and the 2026 NEP.
Source: GAA 2024-2025 and NEP 2026

⁴ DepEd Datasets SY 2010 2011 to Sy 2023-2024, DepEd-EMISD

TABLE 7 -B
SUMMARY OF PROGRAMS FOR 2024-2026
DEPARTMENT OF EDUCATION

Program (Implementing Agency)	Amount (In Million Pesos)			% Share to Total Program			Growth Rates '24-'25 (%)
	2024	2025	2026	2024	2025	2026	
5. Inclusive Education Program	6,024.3	6,120.2	5,923.1	0.9	0.9	0.7	(3.2)
<i>Of which:</i>							
<i>Multigrade Education Program</i>	161.5	140.6	142.9	0.0	0.0	0.0	1.6
<i>Indigenous Peoples Education Program</i>	154.4	154.4	74.8	0.0	0.0	0.0	(51.6)
<i>Flexible Learning Options (ADM/ALS/EiE)</i>	4,277.5	4,283.0	4,360.1	0.6	0.6	0.5	1.8
<i>Special Needs Education Program</i>	999.2	1,043.8	850.0	0.1	0.1	0.1	(18.6)
<i>Madrasah Education Program</i>	431.6	498.3	495.4	0.1	0.1	0.1	(0.6)
6. Education Human Resource Development Program	4,101.5	2,784.7	3,382.0	0.6	0.4	0.4	21.4
Total Operations, OSEC	686,617.5	709,337.2	840,591.6	100.0	100.0	100.0	18.5
Attached Agency, TEC							
1. Quality Teacher Education Program	-	-	162.7	-	-	100.0	-

Note: The amounts for Programs and Total Operations include the proposed amounts for Projects which were presented separately from the regular programs under Operations in the 2024 and 2025 GAA and the 2026 NEP.

Source: GAA 2024-2025 and NEP 2026

- 4.7. Under SSLP, the combined amount of P41.08 billion is allotted for the government assistance and subsidies to private education in the form of education services contracting (ESC) for JHS (P12.36 billion); vouchers program (VP) for SHS (P26/49 billion) and SHS in TVL Track (P2.23 billion), reflecting a total increment of 1.4% or P564.7 million from P2025 level of P40.51 billion. The provision of government subsidies for private education is the long-running flagship program corresponding to the Constitutional provision to make quality education accessible to all and the promotion of the public-private complementarity partnership in education. Notably, the two consecutive results of the Philippines' performance in the Programme for International Student Assessment (PISA, 2018 and 2022) show that private school students scored several points higher than public school students.
- 4.8. As such, there are legislative considerations to expand this program across all grade levels in the K-12 program which likewise aims to ease classroom congestion in public schools. Based on the EDCOM2 Year 2 Report, there are over 5.1 million aisle learners or those in excess of the ideal number of 25 to 45 learners in a classroom. If enacted into law, the proposal to expand the voucher program would require a double or even triple increase in funding since the bulk of learners are in the elementary level. Aside from funding consideration, there is also a need to address program policy and implementing issues such as the need for a more equitable access and selection mechanism of beneficiaries. and the longstanding issue on the legal authority of the Private Education Assistance Committee (PEAC) to manage the program fund. which was repeatedly raised in the DepEd Audit Report by the Commission on Audit (*Please see Section 6.7*).

- 4.9. Another flagship program under the SSLP is the *School-based Feeding Program (SBFP)* with a budget of P11.78 billion in 2026 which is of the same level allotment in 2025. The amount is intended to cover 220 feeding days which correspond to the entire 200 school calendar days plus 20 days in learning camps. Prior to 2024, this program was only for 120 days but DepEd officials reported that program beneficiaries tend to revert to malnutrition state when feeding is not sustained after 120 days in school⁵. In line with the shift toward universal early nutrition, the expanded SBFP now includes all kindergarten learners and not just undernourished ones. Roughly 3.4 million kindergarten pupils and “severely wasted” and “wasted” Grade 1 to 6 students benefit from the program. Since SY 2023-2024, DepEd reported that the number of severely wasted kindergarten children has dropped by 58.3% from 113,451 to 47,281⁶.
- 4.10. Relatedly, the Early Childhood Care and Development System Act provides for more focused and convergent efforts on nutrition and early education interventions for children below five years old. The effective implementation of the law is expected to boost health and learning preparedness of Filipino children with the end in view of halting cases of stunting and wasting during the early years. While data show that the trend in stunting slowly declined from 2015 (33.4%) to 2023 (23.6%), a wide disparity in the incidence of stunting among income groups was noted with the poorest children or those in the lowest quintile suffering the most. In 2023, the bottom 20% recorded the highest prevalence of stunting at 37.2%, compared to 13.0% in the richest quintile⁷.
- 4.11. In the 2026 budget, the *Building Early Growth through Integrated Nurturing (BEGIN) Program* is introduced under the Program Convergence Budgeting (PCB). The program aims to address stunting and support early years development. About P47.54 billion is tagged under PCB for the said program shared by DepEd, DILG, DOH and DSWD. While BEGIN is laudable in its coordinated holistic approach, it should be consistent and sustainable in the long term. As provided in the *PCB Framework for the Sustainable Development Goals*, sustainability plan should be integrated and indicators are aligned with the program's vision.
- 4.12. The BEIP is the second major program of DepEd with an allocation of P117.47 billion in 2026 representing 14.0% of the OSEC’s budget for operations. The program will have a budget increment of P29.95 billion or 34.2% higher from the P87.53 billion budget in 2025. Of subprograms under the BEIP, budget for the *DepEd Computerization Program (DCP)* spikes by 576.8% to P16.45 billion from P2.43 billion in 2025. The budget for DCP will cover the procurement of over 48,000 laptops for teachers and the provision of internet access to more than 3,200 schools. It also intends to support the DepEd’s DigiEd28 program which will connect multiple DepEd systems for the provision of real-time

⁵ *Philippine Starr*, January 25, 2024. *DepEd expands feeding program from 120 days to full school year*. <https://qa.philstar.com/headlines/2024/01/25/2328463/dep-ed-expands-feeding-program-120-days-full-school-year>

⁶ *Philippine Star Global*. July 22, 2025. *DepEd launches expanded 120-day school feeding program* <https://www.philstar.com/headlines/2025/07/22/2459721/dep-ed-launches-expanded-120-day-school-feeding-program>

⁷ CPBRD 2025. *Facts in Figures. Nutritional Status of Children Under-5 in 2023*. <https://cpbrd.congress.gov.ph/wp-content/uploads/2025/02/FF2025-03-NUTRITIONAL-STATUS-OF-CHILDREN-UNDER-5-IN-2023.pdf>

education statistics and information which will be made available to stakeholders for policy development and for other purposes relating to the improvement of the educational system.

- 4.13. In 2024, the approved budget for DCP was P8.90 billion but was largely cut by 72.7% in 2025 to P2.43 billion. The substantial increase in the 2026 budget is intended to address past budget cut which may have undermined the need to accelerate digital infrastructure in the education sector and which came amid the country's ongoing learning crisis, marked by poor performance and insufficient educational resources.
- 4.14. The funding of the *New School Personnel Positions* under the BEIP will increase to P42.30 billion from P32.31 billion in 2025, reflecting an increment of 30.9% or nearly P10.00 billion. The higher funding corresponds to DepEd's increased target of filling up 20,000 new positions in 2025 and 2026. This program aims to ensure an improved teachers to learners ratio, enhanced learning outcome, and eased non-teaching workload of teachers. Recent data from DepEd reflects a reduced rate of unfilled positions from 5% in 2023 to 3.8% in 2025.
- 4.15. The subprogram *Learning Tools and Equipment (LTE)* will have a decreased funding of P657.4 million or 18.5% lower compared with the P3.55 billion in 2025. LTE are complete and efficient sets of equipment for Science, Mathematics (LTE-SM) and for Technical Vocational Livelihood (LTE-TVL) that comply with the requirements set by the K to 12 Curriculum. The *Textbooks and other Instructional Materials* subprogram, will also have a decrease in budget of 10.1% to P11.16 billion from P12.41 billion in 2025. A special provision in the 2026 budget indicated that the amount of P100.0 million shall be appropriated for the textbooks and other instructional materials designed for the use of learners with disabilities enrolled in the formal school system and those enrolled in Alternative Learning System (ALS). Textbooks and other instructional materials are quality text-based learning resources aligned with the K to 12 curriculum as primary bases or supplement to teaching and learning processes.
- 4.16. For 2026, the budget for the *Basic Education Facilities Program (BEFP)*, also referred to as *School Building Program*, will increase by 33.5% to P37.44 billion from P28.06 billion in 2025. The P9.39 billion increase is directly attributed to the foreign-assisted project "Infrastructure for Safer and Resilient Schools (ISRS) Project". The *Last Mile Schools (LMS)* Program will have a funding of P3.00 billion in 2026. In 2025, aside from the P3.00 billion budget for the construction of LMS school buildings and facilities, the P1.50 billion budget for locally-funded Connectivity Enhancement Program was allotted for the installation of internet access in the LMS with installed solar power systems. LMS are schools located in geographically isolated and disadvantaged and conflict-affected areas (GIDCA) with less than four classrooms and less than five teachers and with population of less than 100 learners.

- 4.17. The BEFP and LMS are implemented in coordination and partnership with the DPWH where corresponding budget is transferred from DepEd to DPWH for program execution. Over the years, the construction of new school buildings and rehabilitation and repair of existing ones have been slow as evident by the persistent issue on classroom congestion. For 2023-2030, the DepEd is targeting the close of classroom shortage gap by delivering an average of 12,000 new classrooms per year. As of December 2024, DepEd⁸ data showed that 3,597 new classrooms and 133 LMS were constructed. These figures, however, may need to be reconciled with the numbers contained in the 2022-2025 President’s Report to the People (PRP) released on 28 July 2024 covering the period July 2022 to April 2025, citing 16,655 new classrooms and 334 LMS have already been constructed and completed. On the other hand, current data from the Public-Private Partnership (PPP)-School Infrastructure Program (PSIP) of the DPWH indicates the completion and delivery of 9,296 classrooms.⁹
- 4.18. Relatedly, the *DepEd’s Quick Response Fund (QRF)* is retained with P3.00 billion in the proposed 2026 budget - the highest QRF among agencies with built-in stand by fund for calamities and disasters¹⁰. The DepEd’s QRF is intended for the replacement, reconstruction, rehabilitation or repair of school buildings and facilities destroyed or affected by calamities to normalize school operations as quickly as possible. From 2022 to 2024, 1,811 public schools affected and damaged by disasters were rehabilitated using the QRF¹¹. While the current level of allocation for QRF is way below the estimated cost of damages in schools which prompted DepEd to call for an increased QRF allocation, the utilization level of the fund remains low (*please see Table 10*).
- 4.19. On the other hand, when school buildings are spared from calamities and disasters, they are used as evacuation centers for affected and displaced families and individuals. Oftentimes, this disrupts learning, halts classroom instruction, and prolongs the unavailability of facilities for students and teachers. With the signing into law of RA 12078 or the “Ligtas Pinoy Centers Act” in 2024, reliance on public school facilities serving as evacuation center is expected to be eventually eliminated. The law mandates the establishment of dedicated evacuation centers in every city and municipality across the country.
- 4.20. The *Inclusive Education Program (IEP)* budget for 2026 will decline by 3.2% to P5.92 billion from P6.12 billion in 2025. Of the IEP subprograms, the Indigenous Peoples Education (IPED) will have the largest cut at 51.6% to P74.8 million from P154.4 million in 2025. The IPED is DepEd’s program on promoting the rights of indigenous communities and indigenous learners to basic education that is responsive to their needs. A substantial

⁸ <https://www.deped.gov.ph/wp-content/uploads/Major-Projects-Program-and-Activities-Status-of-Implementation-FY-2024.pdf>

⁹ <https://www.dpwh.gov.ph/dpwh/PPP/projs/PSIP1>

¹⁰ Total QRF for 2024 amounted to P7.82 billion, distributed as follows: P3.00 billion for DepEd, P1.75 billion for the DSWD, P1.00 billion for the DPWH, P1.00 billion for the Department of Agriculture (DA), P500 million for the Office of Civil Defense, P500 million for the DOH, P75 million for the Philippine Coast Guard, P50 million for the Bureau of Fire Protection, and P50 million for the Philippine National Police (cited in a news article of the Philippine News Agency, April 26, 2024. (<https://www.pna.gov.ph/articles/1223548>)

¹¹ DepEd. December 31, 2024. *Major Projects, Programs and Activities Status of Implementation Report*. <https://www.deped.gov.ph/wp-content/uploads/Major-Projects-Program-and-Activities-Status-of-Implementation-FY-2024.pdf>

reduction in IPED funding may need revisiting to ensure the inclusion of every IP in the appropriately designed basic education program. Since the institutionalization of the IPED in 2011, the DepEd has served 2.5 million IP learners in public schools across the country¹².

- 4.21. The *Special Need Education* (SNED) under the IEP will also have a decrease in the 2026 budget by 18.6% to P850.0 million from P1.04 billion in 2025. The DepEd SNED Program aims to enhance access and upgrade the quality of education programs and services directed towards all recognized Special Education (SPED) Centers for elementary and secondary schools with classes for learners with special needs. Data from DepEd showed that the number of learners with special needs who are enrolled and mainstreamed in the K-12 program have increased by 10.9% from 82,347 in SY 2023-2024 to 91,337 in SY 2024-2025. This data, however, may need to be reconciled with the information presented in the DepEd 2024 Budget Accountability Report (BAR) No. 1 which indicated that more than 384,649 learners with special needs were enrolled in SNED, surpassing their target of 200,000 learners, which may warrant a second look of the budget reduction for the program.
- 4.22. The subprogram under IEP with the highest budget is the *Flexible Learning Options (FLO) Program* where several alternative education modalities are included such as the ALS. For 2026, the budget for the program will amount to P4.36 billion, slightly higher compared with the 2025 budget of P4.28 billion (1.8% increment). The ALS provides opportunities for out-of-school youth and adult (OSYA) learners to develop basic and functional literacy skills and to access equivalent pathways in completing basic education.

Since its institutionalization in 2020 thru RA 11510, the ALS has expanded its coverage serving more sectors belonging to OYSAs such as the socio-economically disadvantaged learners, learners in emergency situation, teenage mothers, rebel returnees, learners with disabilities, persons deprived of liberty, children in conflict with the law, indigenous peoples and other marginalized sectors. The average enrollment in ALS is reaching close to 500,000 per year (SY 2005-2006 to SY 2023-2024) while the record of completers for the same period was recorded at an annual average of 324,000 or 64.8% . In SY 2023-2024, 611,833 ALS learners were enrolled across the country and which slightly increased to 612,576 in SY 2024-2025.

- 4.23. Corollary, latest data show that the proportion of youth not in education, employment, or training (NEET) has decreased to 10.6% in April 2025 from 11.0 % in April 2024 and 11.7% in January 2025 (PSA, 2025). The effective implementation of FLO program, particularly ALS, directly helps reduce the rate of Filipino youth in the NEET category by providing a second chance at basic education and developing human capital, leading to better long-term employment prospects and enabling them to become productive members of society.

¹² DepEd. October 31, 2021. DepEd marks 1st decade of Indigenous Peoples Education Program (IPed) with 2.5M learners served <https://www.deped.gov.ph/2021/10/08/deped-marks-1st-decade-of-indigenous-peoples-education-program-iped-with-2-5m-learners-served/>

- 4.24. Another major program of the DepEd is the *Education Policy Development Program (EPDP)* which will have a budget of P13.76 billion in 2026, reflecting an increment of 8.8% from the 2025 budget of P12.64 billion. Under EPDP are policies and programs relating to improving learning inputs such as *National Assessment Systems, Basic Education Curriculum, National Literacy Programs, and the Early Language, Literacy and Numeracy*. The budgetary requirements for the DepEd's *National Learning Recovery Program (NLRP)* are also sourced from EPDP, among others¹³. There were observations that the NLRP has not made an impact since its launching in July 2023 to address learning losses and learning poverty, hence, the proposal for a massive reform of the NLRP.¹⁴
- 4.25. The country's high learning poverty rate of 91.0% (World Bank 2022) could not be adequately addressed by NLRP in its present format – voluntary on the part of learners and teachers, without dedicated funding and with no clear implementation and performance indicators and measurement. Fortunately, five years after the pandemic, a landmark law was enacted to institutionalize learning recovery efforts by virtue of RA 12028 or the “Academic Recovery and Accessible Learning (ARAL) Program Act.” The law aims to address learning gaps and enhance learning outcomes by helping students get back on track. The ARAL program serves as DepEd's umbrella program for learning recovery, with specific focus on reading, mathematics, and science. The law's corresponding implementing rules and regulation (IRR) was signed in March 2025. However, funding requirements to implement the law are not yet specified in the 2026 budget. Meantime, DepEd sources fund from existing programs such as the Basic Education Curriculum under the EPDP and the Textbook and Other Learning Materials Program under the BEIP¹⁵.
- 4.26. Among the major programs of DepEd, the *Education Human Resource Development Program (EHRD)* is allocated the smallest budget of P3.38 billion for operations in 2026. This amount is higher by 21.4% or P597.3 million compared to the P2.78 billion budget in 2025. Both the 2025 and 2026 budgets include allocation for foreign-assisted project on “Teacher Effectiveness and Competencies Enhancement Program (TEACEP)” in the amounts of P505.0 million and P458.3 million, respectively.
- 4.27. Directly related to the continued development of teacher quality is the operations and funding of the TEC. For 2026, TEC will have P162.68 million budget for its *Quality Teacher Education Program*. Pursuant to the RA 11713 or the “Excellence in Teacher Education Act”, TEC as the newly-attached agency of DepEd is mandated to implement pre-service teacher education programs to improve and further strengthen the quality of teacher education in the Philippines. Additionally, the law requires the transformation of the National Educators Academy of the Philippines (NEAP) into an institution that enhances the competencies of educators in professional and leadership excellence. The NEAP is an accredited provider

¹³ DepEd Order No. 13, s 2023

¹⁴ EDCOM2. August 7, 2024. *National learning recovery program in need of massive reform – Gatchalian*. <https://edcom2.gov.ph/national-learning-recovery-program-in-need-of-massive-reform-gatchalian/>

¹⁵ DepEd Memorandum Order dated 17 July 2025. *Guidelines for the Budget Allocation and Fund Utilization for the Academic Recovery and Accessible Learning Program for Sy 2025-2026*.

of Continuing Professional Development (CPD) for teachers by the Professional Regulation Commission since 2018¹⁶. Under RA 10912 or the "Continuing Professional Development (CPD) Act of 2016", all licensed Filipino professionals must earn units – acquired through trainings, online courses, and graduate studies among others – to have their licenses renewed and continue to enhance their competencies through accredited programs delivered by accredited providers. For teachers, not less than 45 credit units are required prior to renewing their PRC license¹⁷. While the CPD law met criticisms from various professional groups citing the scheme as burdensome and costly¹⁸, the concept of CPD supports the principle of lifelong learning which is particularly important for all professionals like teachers. The DepEd then must endeavor to establish NEAP as a credible center of excellence for teachers.

- 4.28. Another development effort is the ratification of the bicameral conference committee report on the “Career Progression System for Public School Teachers and School Leaders” in June 2025. The measure aims to pave the way forward in promoting teacher competence, professional growth, and merit-based promotions through competency-based evaluation and accreditation framework. Once enacted into law, a more expansive and continuous professional development program for teachers will be required to enable them to qualify for higher positions and move upward the career ladder.
- 4.29 Finally, with substantial funding of the critical components of the educational system, it is but expected that the public will be awaiting favorable robust outcomes. But such forthcoming results do not come out automatically with mere funding. It is imperative that program implementation is efficient and effective and monitoring and evaluation (M&E) mechanisms are in place. With effective M&E, insights from data collection and analysis can be integrated in targeting, budgeting, and decision-making which are critical to the success of the endeavored programs and projects. Additionally, the participation of the private and non-government counterparts will help the public educational system in producing truly productive world class human capital.

V. PERFORMANCE REVIEW

- 5.1. *Budget Utilization*. The agency’s absorptive capacity to effectively utilize its allocated funds is measured by obligation rate, disbursement rate, and level of unused appropriations. Presented in Table 8 is the obligations-appropriations ratio (OAR) for the DepEd and its attached agencies covering the period 2022 to 2024. The OAR measures the efficiency of agencies in utilizing their appropriations. The overall OAR of the DepEd in 2024 is 93.0%,

¹⁶ Professional Regulations Commission. February 2018. *PRC Accredits the Department of Education through the National Educators Academy of the Philippines as CPD Provider for Teachers*

¹⁷ PRC briefer on RA 10912. <https://www.prc.gov.ph/sites/default/files/CPD-FAQs-62918.pdf>

¹⁸ Rappler. 2022. *How tedious license renewal requirements result in push to amend CPD law*

<https://www.rappler.com/philippines/prc-license-renewal-reasons-push-amend-scrap-continuing-professional-development-law/>

lower than the utilization rate in 2022 and 2021 at 94.7% and 94.8%, respectively. This mirrors the OAR pattern of the OSEC for the same period.

- 5.2. Attached agencies have varying trends in the rate of fund utilization. The PHSA, NAS and ECCDC (now an attached agency of DILG), registered improvements in their respective budget utilization levels from 2022-2024. The NBDB and NM recorded though a decline in their respective OAR in 2024, but have consistently registered high OARs of over 90.0%. Although posting a slightly improved utilization rate in 2024 to 66.5% from 60.9% in 2023, it is still substantially lower compared to 90.6% in 2022.

TABLE 8
OBLIGATIONS-APPROPRIATIONS RATIO AND UNUSED APPROPRIATIONS, 2022-2024
DEPARTMENT OF EDUCATION

Particulars	Obligation-Appropriations Ratio (%)			Unused Appropriations (In Million Pesos)		
	2022	2023	2024	2022	2023	2024
Office of the Secretary	94.8	94.8	93.0	34,051.9	38,246.5	56,627.1
NBDB	97.2	97.7	95.0	3.4	3.4	12.6
NCCT	90.6	60.9	66.0	4.2	31.2	40.3
NM	96.6	95.6	90.0	25.6	56.5	149.5
PHSA	80.8	90.5	98.7	24.9	11.0	1.5
ECCDC	83.5	95.4	96.6	47.4	15.3	11.0
NAS	19.5	25.1	58.3	276.4	436.0	209.0
TOTAL DepEd	94.8	94.7	93.0	34,433.8	38,799.9	57,051.1

Sources of basic data: NEP 2024-2026

- 5.3 *Unused appropriations.* The DepEd's unused appropriation continued to escalate, increasing by 47.0% to P57.05 billion in 2024 from P38.80 billion in 2023. The huge unused appropriation represents 7.5% of the DepEd's total budget in 2024. The OSEC carries 99.3% of unused fund in the amount of P56.63 billion while the remaining amount of less than P500 million is shared by attached agencies. About 98.3% of unused funds of the DepEd accrue from unobligated allotments while only 1.7% are from unreleased appropriations. The generally high OAR of the DepEd may indicate high efficiency spending. However, unused appropriation in such huge amount remains a fiscal concern given the overall budget deficit of the government.

- 5.4 *Disbursement Rate by Agency.* The ratio of disbursements to appropriations also provides budget utilization information. As shown in Table 9, the 2024 overall disbursement rate of the DepEd has dipped to 86.2%, lower by 3.6 percentage points from 89.8% in 2023. This reflects the disbursement rate of OSEC (from 89.9% in 2023 to 86.3 in 2024). Among attached agencies, NCCT, PHSA and NAS recorded improvements in their respective disbursement rates. On the other hand, a sharp dip from 90.3% in 2023 to 82.1% was registered by NBDB while NM and ECCDC both registered slight decline in their respective disbursement rates from 2023 to 2024.

TABLE 9
DISBURSEMENT RATE BY AGENCY, 2023-2024 (AMOUNTS IN MILLION PESOS)
DEPARTMENT OF EDUCATION

Particulars	2023			2024		
	Appropriations	Disbursements	Disbursement Rate (%)	Appropriations	Disbursements	Disbursement Rate (%) ^{a/}
OSEC	735,897.2	661,831.1	89.9	814,217.7	702,539.7	86.3
NBDB	150.2	135.7	90.3	251.7	206.7	82.1
NCCT	79.7	43.5	54.5	118.6	75.1	63.3
NM	1,285.1	797.1	62.0	1,495.2	916.1	61.3
PHSA	115.4	93.0	80.5	118.2	107.1	90.6
ECCDC	332.7	256.9	77.2	327.8	246.7	75.3
NAS	581.8	112.6	19.4	501.2	250.4	50.0
TOTAL Department	738,442.2	663,269.8	89.8	817,030.4	704,341.8	86.2

a/ Disbursement rate – ratio of disbursements to appropriations
Source: SAAODB 2023-2024 (Final) DBM

5.5 . The relatively high budget utilization rate of the DepEd, particularly OSEC (*Sections 5.1 and 5.4*), may indicate efficiency in spending. However, given persistent issues such as classrooms shortage, and deficiency in learning materials and teacher training, among others, and the substantial unused appropriations (*Section 5.3*), the DepEd’s absorptive capacity is not truly reflective of effective and efficient program deliveries. This is evident by the low budget utilization records of specific programs under OSEC which are presented and discussed in the following sections.

5.6 **Budget Utilization by Major Program.** Presented in Table 10 is the 2024 budget utilization performance by specific program. The SSLP registered an overall obligation rate of 96.7% and disbursement rate of 93.6%. This reflects relatively consistent performance across specific subprograms, except for the SBFP which recorded obligation rate of 81.3% and a significantly low disbursement rate of 39.2%. The subprogram on government assistance through ESC for JHS reflected moderate obligation rate at 52.7% but very low disbursement rate at 34.4%.

5.7 The overall obligation rate and disbursement rate of the BEIP were recorded at 77.9% and 47.8% respectively. The relatively low budget utilization performance of the BEIP represents dismal obligation and disbursement rates across subprograms. *Learning Tools and Equipment* program and the *Textbooks and Other Instructional Materials* program reflected very low disbursement rates at 23.3% and 10.5%, respectively, despite registering obligation rates of more than 60.0%. Programs on *Computerization* and *LMS* recorded relatively high obligation rates of 91.7% and 82.3%, respectively, but both registered less than 50% disbursement rates.

TABLE 10
BUDGET UTILIZATION BY MAJOR PROGRAM, 2024 (AMOUNTS IN MILLION PESOS)
DEPARTMENT OF EDUCATION-OFFICE OF THE SECRETARY

Program	Appropriations	Obligations	Disbursements	Obligation Rate (%) ^{a/}	Disbursement Rate (%) ^{b/}
Support to Schools and Learners Program (SSLP)	618,261.0	597,848.8	578,414.5	96.7	93.6
<i>School-Based Feeding Program (SBFP)</i>	13,734.5	11,162.1	5,384.4	81.3	39.2
<i>Operation of Schools – Elementary (Kinder to Grade 6)</i>	316,162.5	314,704.1	312,275.5	99.5	98.8
<i>Operation of Schools – Junior HS (Grade 7 to Grade 10)</i>	180,207.3	178,808.3	177,681.3	99.2	98.6
<i>Operation of Schools – Senior HS (Grade 11 to Grade 12)</i>	54,810.2	53,826.9	53,349.4	98.2	97.3
<i>Government Assistance and Subsidies - Education Service Contracting (ESC) Program for Private Junior High School</i>	14,225.8	7,499.4	4,892.3	52.7	34.4
<i>Government Assistance and Subsidies - Voucher Program for Private Senior High School</i>	26,311.5	20,273.9	13,981.5	77.1	53.1
<i>Joint Delivery Voucher for Senior High School Technical Vocational Livelihood Specializations</i>	1,486.7	1,427.8	1,427.8	96.0	96.0
Basic Education Inputs Program (BEIP)	80,385.2	62,610.5	38,450.9	77.9	47.8
<i>New School Personnel Positions</i>	26,136.4	25,280.5	23,370.0	96.7	89.4
<i>Learning Tools and Equipment (LTE)</i>	5,853.8	4,077.1	1,366.5	69.6	23.3
<i>Textbooks and Other Instructional Materials (TOIM)</i>	12,735.0	7,803.7	1,340.3	61.3	10.5
<i>Computerization Program (DCP)</i>	18,085.2	16,582.0	7,610.3	91.7	42.1
<i>Basic Education Facilities (BEF)</i>	9,294.1	4,301.3	2,357.6	46.3	25.4
<i>Last Mile Schools Program (LMS)</i>	3,215.8	2,646.7	1,535.5	82.3	47.7
<i>Quick Response Fund (QRF)</i>	3,508.1	857.6	318.0	24.4	9.1
Education Policy Development Program (EPDP)	18,835.1	14,931.7	12,273.4	79.3	65.2
Inclusive Education Program (IEP)	8,120.4	5,564.3	3,422.6	68.5	42.1
<i>Multigrade Education Program (MGEP)</i>	165.2	109.6	88.3	66.3	53.4
<i>Indigenous Peoples Education Program (IPED)</i>	270.0	208.3	146.3	77.2	54.2
<i>Flexible Learning Options (FLO)</i>	5,997.5	4,163.0	2,324.3	69.4	38.8
<i>Special Need Education Program (SNED)</i>	1,185.5	628.0	442.1	53.0	37.3
<i>Madrasah Education Program (MEP)</i>	502.2	455.4	421.6	90.7	84.0
Education Human Resource Development Program	5,217.6	3,489.9	2,881.7	66.9	55.2

a/ Obligation rate – ratio of obligations to appropriations; b/ Disbursement rate – ratio of disbursements to appropriations
Source: SAAODB 2024 (FAR No. 1 in Transparency Seal)

- 5.8 The *Basic Education Facilities Program* under the BEIP reflected poor budget utilization with 46.3% obligation rate and 25.4% disbursement rate. The slow progress of the basic school facilities/school building program continues to put learners and teachers at the disadvantage by constantly experiencing classroom congestion and inadequate learning resources and facilities. Similarly, the utilization of QRF for rehabilitation of schools damaged by calamities also registered poor budget utilization with obligation rate of 24.4% and extremely low disbursement rate of less than 10%. Under BEIP, only the program on *New School Personnel* has recorded high obligation and disbursement rates in 2024 (96.7% and 89.4%, respectively).
- 5.9. Budget utilization performance of the IEP program registered 68.5% obligation rate and 42.1% disbursement rate. Of the subprograms under IEP, only the *Madrasah Education Program (MEP)* recorded a relatively efficient budget utilization with 90.7% obligation rate and 84.0% disbursement rate. The MEP is a comprehensive program for Muslim learners in public and private *madaris* (schools) which aim to provide Muslim Filipino learners with appropriate and relevant educational opportunities within the context of their cultures, customs, traditions, and interests.
- 5.10. Subprograms SNED and FLO both registered low disbursement rates roughly reaching 40.0%. while IPED disbursement reached 54.2%. These programs are directly benefitting marginalized and disadvantaged learners with different needs. As such, poor budget utilization may undermine the goal of fully achieving inclusive education for all. Furthermore, while the failure to substantially obligate and disburse allocated funds may justify the reduced 2026 budget allocation for FLO and IPED, the goal remains that education must be served to all learners regardless of background, culture or capacity.
- 5.11. For EHRDP, of the P5.22 billion appropriated funds in 2024, 66.9% were obligated and 55.2% were disbursed. As discussed earlier in *Section 4.26*, the EHRDP has the lowest fund allotment of all major programs of DepEd. Such allocation, though meager compared with other programs, should have been used and maximized for the improvement of teacher competencies in light of the declining quality of education in the country and the critical role of teachers in the overall scheme of the education system.
- 5.12. The DepEd's failure to deliver programs which are critical to education outcomes may warrant the need to assess the relevance and performance of the DepEd Education Program Management Office (EPMO)¹⁹. The primary function of the EPMO as contained in DepEd Order No 50 s.2021 is to provide strategic advice and support to DepEd and stakeholders in addressing bottlenecks, challenges, and constraints in program management through effective and efficient monitoring, review, and reporting of the financial performance of DepEd's priority programs and activities. It is also tasked to conduct collaboration sessions

¹⁹ The EPMO was established in 2021 replacing the DepEd's Education Programs Delivery Unit (EPDU) which was created in 2016 in compliance with Administrative Order 46 and DBM Circular Letter No. 2015-8 directing all government agencies to create Full-time Delivery Unit(FDU).

to address the same and to communicate the DepEd delivery agenda. Lastly, it is tasked to work closely with DBM for quarterly monitoring and evaluation of project execution to facilitate remedial measures.

5.13. **Performance Indicators.** Report on performance indicators (at output and outcome levels) and the accomplishments of agencies vis-à-vis program targets provide useful information to assess the soundness of agency budget proposals considering levels of past accomplishments and targets for the coming fiscal year. Presented in Tables 11-A, 11-B and 11-C are DepEd OSEC's performance indicators for each major program and selected subprograms.

TABLE 11-A
PERFORMANCE INDICATORS OF MAJOR PROGRAMS, 2024-2026
DEPARTMENT OF EDUCATION

Program	Actual vs (Target)			Target	
	2022	2023	2024	2025	2026
Sectoral Goal/Outcome: Quality, inclusive, adaptive, resilient, and future-ready basic education for all achieved					
Education Policy Development					
Outcome Indicators					
<i>Percentage of completed education researches used for policy development</i>	100% (100%)	100% (121%)	100% (282%)	100% (955)	100% (691)
<i>Percentage of satisfactory feedback from clients on issued policies</i>	78% (87%)	78% (84%)	78% (84%)	84%	84%
Output Indicators					
<i>Number of policies formulated, reviewed, & issued</i>	52 (54)	52% (26%)	52 (26)	25	25
<i>Number of education researches completed</i>	560 (513)	560 (678)	0	955	691
<i>Number of proposed policies reviewed</i>	95 (82)	85 (82)	85 (82)	31	31
Basic Education Inputs Program					
Outcome Indicators					
<i>Percentage of public schools meeting the standard ratio for teachers</i>					
Elementary	99% (98.33%)	99% (99%)	99% (NA)	99% (36,709/36,883) SY 2025-2026	99.98% (37,346/37,352) SY 2026-2027
Junior High School	87% (86.17%)	88% (86%)	94% (NA)	90% (8,646/9,602) SY 2025-2026	97.70% (9,724/9,953) SY 2026-2027
Senior High School	86.6% (88%)	91% (92%)	96% (NA)	98% (6,915/7,065) SY 2025-2026	99.40% (7,247/7,291) SY 2026-2027
<i>Percentage of public schools meeting the standard ratio for classrooms</i>					
Grades 1-10	89% (74%)	79% (47%)	60% (48%)	52% (24,235/46,606)	52% (24,235/46,606)
Senior High School	18% (61%)	62% (39%)	67% (50%)	42% (2,991/7,121)	50% (3,813/7,687)

Source: NEP 2026

TABLE II-B
PERFORMANCE INDICATORS OF MAJOR PROGRAMS, 2024-2026
DEPARTMENT OF EDUCATION

Program	Actual vs (Target)			Target	
	2022	2023	2024	2025	2026
<i>Percentage of public schools with Information and Communications Technology (ICT) package</i>					
Elementary	99% (12%)	100% (75%)	58% (71%)	90% schools with electricity (33,340/37,045)	99% schools with electricity (36,907/37,140)
Secondary	99% (59%)	100% (79%)	100% (85%)	100% schools with electricity (9,871/9,871)	100% schools with electricity (10,396/10,396)
Senior High School	99% (7%)	100% (84%)	100% (72%)	95% schools with electricity (6,982/7,350)	98% schools with electricity (7,527/7,666)
Output Indicators					
<i>Number of new classrooms constructed</i>	1,168 (0)	6,379 (192)	1,628 (605)	6,000	4,869
<i>Number of new classrooms on-going construction</i>	NA (1,065)	NA (4391)	3,940 (5,182)	0	0
<i>Number of textbooks and instructional /learning materials procured for printing and delivery</i>	6,732,285 (0)	4,628,245 (accomplishment?)	71,407,893 (51,087,241)	97,830,242	135,614,186
<i>Number of equipment/tools procured for distribution:</i>					
a. Science and Math	5,171,883 pcs (2,157,733 pcs)	11,016,797 pcs (8,500,892 pcs)	3,299,748 pcs. (7,865,217 pcs)	14,174,775 pcs.	5,314,592 pcs.
b. Technical and Vocational Livelihood	175,209 pcs (0)	427,438 pcs (78,596 pcs)	1,162,865 pcs. (189,194 pcs)	178,590 pcs.	144,922 pcs.
c. ICT	45,669 packages (382 packages)	3,700 packages (0 packages)	18,130 packages (17,946 packages)	18,185 packages	54,230 ICT packages and 9,172 units of laptops for non-teaching staff
<i>Number of newly-created teaching positions filled up</i>	10,000 (9,548)	10,000 (5,591)	20,000 (20,572)	20,000	32,916
Inclusive Education Program					
Outcome Indicators					
<i>Percentage of learners enrolled in:</i>					
SNED (public)	1.33% (0.61%)	0.48% (1.11%)	0.69% (1.71%)	1.17% (303,756)	1.57% (425,312)
ALIVE (public and private)	0.40% (0.57%)	0.63% (0.68%)	0.62% (1.78%)	0.70% (181,226)	0.55% (149,031)
IPED (public)	0.53% (0.50%)	0.47% (1.11%)	1.04% (2.23%)	1.17% (303,170)	1.78% (482,329)
ALS	2.79% (2.22%)	2.2% (2.26%)	2.29% (2.71%)	2.43% (630,327)	2.36% (639,782)
<i>Percentage of learners provided with learning resources</i>	100% (93%)	0.18% (38.53%)	3.90% (27.54%)	2.83% (733,954)	15.04% (4,075,702)
Output Indicators					
<i>Number of schools offering the following programs:</i>					
ALIVE (public and private)	4,617 (5,164)	2,888 (3,782)	5,164 (3,408)	5,200	4,046

Source: NEP 2026

TABLE II-C
PERFORMANCE INDICATORS OF MAJOR PROGRAMS, 2024-2026
DEPARTMENT OF EDUCATION

Program	Actual vs (Target)			Target	
	2022	2023	2024	2025	2026
IPED (public)	3,070 (3,089)	3,089 (3,391)	3,635 (3,763)	3,635	3,763
SNED (public)	19,143(13,484)	6,558 (21,510)	12,307 (27,563)	23,313	22,586
<i>Number of public schools provided w/ learning resources</i>	44,984 (38,194)	44,984 (27,304)	38,194 (23,072)	44,971	39,096
<i>Percentage of reported errors in learning resources addressed</i>		100% (100%)		1 00%	1 00%
Support to Schools and Learners Program					
Outcome Indicators					
<i>Retention rate</i>					
Elementary	98.84% (101.18%)	98.91% (100.35%)	98.00% (98.29%)	98.00% SY 2024-2025	98.00% SY 2025-2026
Secondary (Grade 7 to 12)	94.63% (103.98%)	91.12% (97.19%)	95.50% (94.32%)	96.00% SY 2024-2025	96.00% SY 2025-2026
<i>Completion rate</i>					
Elementary	95% (99.83%)	79% (99.56%)	95% (92.77%)	95.00% SY 2024-2025	96.00% SY 2025-2026
Secondary (Grade 7 to 12)	82% (98.66%)	69% (83.09%)	83% (73.33%)	85.00% SY 2024-2025	85.00% SY 2025-2026
<i>Proportion of the learners achieving at least nearly proficient and proficient in the National Achievement Test (NAT)</i>					
Elementary (Grade 6)	44% (27.77%)	42% (NA)	54% (67.26%)	46% SY 2024- 2025	67% SY 2025- 2026
Junior High School (Grade 10)	61% (48.13%)	18% (30%)	39% (NA)	50% SY 2024- 2025	50% SY 2025- 2026
Senior High School (Grade 12)	28% (37.15%)	25% (24%)	27% (25.88%)	28% SY 2024- 2025	28% SY 2025- 2026
Output Indicators					
<i>Number of learners benefitting from the School Based Feeding Program</i>	1,723,808 (3,190,025)	1,678,704 (1,871,869)	1,678,704 (2,009,279)	2,062,510	3,002,284
<i>Number of grantees:</i>					
Education Service Contracting (ESC)	1,149,975 (965,278)	1,179,329 (859,996)	1,031,605 (876,650)	1,045,654	989,471
SHS Voucher	1,383,730 (1,338,438)	1,132,155 (1,228,257)	1,342,420 (1,286,519%)	1,392,713	1,475,264
Joint Delivery Voucher Program	89300 (0)	109,233 (105,675)	117,889 (118,097)	117,150	117,150
Education Human Resource Development					
Outcome Indicators					
<i>Increase in percentage of public schools conducting schools learning action cell sessions</i>	5% (25%)	5% (0%)	0%/0%	0% increase	0% increase
Output Indicators					
<i>Number of public school teachers and teaching related staff trained</i>	325,290 (305,059)	311,100 (397,769)	142,202 (1,048,778)	127,661	486,967

Source: NEP 2026

5.14. Targets for EPD were achieved with some exceeding actual accomplishments. Notably, while the target number of policies formulated, reviewed and issued were fully achieved in 2024, the 2025 and 2026 targets were reduced to 25 or roughly 50%. The number of

education research completed in 2024 exceeded its target by 182% (1,577/560) as a result of the adjusted research management cycle timeline of the Regional Offices (ROs).

- 5.15. Under the BEIP, no 2024 data is available for the actual accomplishment on the target of meeting the standard ratio for teachers²⁰ in all grade levels. Nonetheless, the 2025 and 2026 targets were pegged higher than the previous years' targets. On the other hand, the 2024 targets to achieve at least 60% for Grade 1-10, and 67% for Grade 11-12 of public schools meeting the standard ratio for classrooms²¹ fell short at 40% and 50%, respectively. The same pattern was observed in the 2023 actual accomplishments. Notably, the 2025 and 2026 targets were lowered to 50% for Grade 1-10, and 52% for Grade 11-12. While the lowered targets may have taken into consideration the actual accomplishment, the 33.5% increment in the 2026 budget for the program runs counter and may not be justifiable (*please see Section 4.16*).
- 5.16. The provision of Information and Communications Technology (ICT) packages²² was with more than 70% of targets achieved. Targets for 2025 and 2026 were pegged between 90 to 99%.
- 5.17. Construction of new classrooms remains slow with only 797 completed and 10,638 ongoing from 2022-2024 despite sufficient funding allocation (P5.95 billion in 2022, P23.41 billion in 2023, and P33.86 billion in 2024) which could have built about 20,000 classrooms depending on which cost estimate to use. The DepEd and the DPWH differ in the cost estimate of single classroom at P2.5 million and P3.5 million (EDCOM2, 2024).²³ This discrepancy in the estimates should be reconciled to support better targeting of classroom construction. DepEd attributes slow completion and underutilization of funds (disbursement of 25.4% only in 2024, *please see Table 10*) to bottlenecks in the project cycle - planning and procurement delays, design modifications, failed biddings, and contract cancellations. From 2025 to 2026, DepEd targets the construction of 10,869 new classrooms.
- 5.18. Procurement of textbooks and other learning materials has improved from zero accomplishment in 2022 to 51 million textbooks/materials in 2024. The failure to procure a single textbook in 2022 was flagged by COA in its audit of DepEd and by lawmakers during budget deliberation in 2023. The same was cited by the EDCOM2 in its Year 1 Report. For 2025 and 2026, DepEd aims to procure more than 200 million

²⁰ DepEd's standard may refer to its goal of attaining the ideal classroom-to-pupil ratio and teacher to student ratio of 1:25 to 1:30 for Kindergarten, 1:30 to 1:35 for Grades 1-3, 1:25 per class of 2 consecutive grades for Multigrade, 1:40 to 1:45 for Grade 4 to Junior High School, and 1:40 for Senior High School. - DepEd Major Programs and Project 2023

²¹ *ibid*

²² Consisting of laptops for teachers and E Classroom Packages for students (one laptop per teacher, 1 TV per classroom and 1 e-classroom package for every 6 learners - DepEd Major Programs and Project 2023

²³ Some LGUs were able to build classroom with an average cost of P1.5 million in partnership with private non-government organizations while locally-funded classrooms can be built with as low as P1.35 million depending on materials and design.
<https://www.gmanetwork.com/news/topstories/nation/955634/senators-ask-why-are-some-deped-classroom-projects-pricier-than-lgus/story/#:~:text=During%20a%20hearing%20of%20the,%2C%E2%80%9D%20said%20Senator%20Loren%20Legarda>

textbooks/materials. Procurement of learning tools and equipment also improved from 2022 to 2024, except for the zero accomplishment for the procurement of ICT packages in 2023. For the provision of learning materials for marginalized learners under the IEP, DepEd may need to recalibrate their low targets based on the capacity to deliver higher accomplishment rates.

- 5.19. Across different grade levels, the proportion of learners achieving “nearly proficient” in the National Achievement Test (NAT) remains a big concern. The general profile of less than 50% of learners achieving the target proficiency level reflects deficiencies in many aspects of the country’s education system, which results in poor learning outcomes and high learning poverty rate. The SHS level, which is a transition period to higher education and the world of work should pave the way for work readiness among Filipino youth. However, with barely 25% of SHS students achieving minimum proficiency level in basic academic disciplines, the country may face challenges in producing productive and competent future workforce. A study shows that only 20% of SHS graduates enter the labor force with employment opportunities limited to service, sales, and clerical support roles (PIDS, 2025). Furthermore, the business sector confirmed in a 2021 survey that employers are reluctant to hire senior high school (SHS) graduates over concerns about their readiness for the workplace (PIDS).
- 5.20. Aside from academic proficiency, the DepEd should also continue to pursue its earlier initiative of strengthening socio-emotional support to help make learners become more resilient, help them understand their mental health needs, and make them advocates of socio-emotional well-being amongst themselves within their schools and their community²⁴.
- 5.21. For the EHRD program data show that in 2023 and 2024, no public school has conducted any Learning Action Cell (LAC) session to improve teacher quality. It is also noted that no targets were indicated for 2025 and 2026. LAC is DepEd’s school-based continuing professional development strategy for the improvement of teaching and learning in the K-12 program. This program was launched in 2016²⁵ to fully support the continuing professional development of teaching personnel based on the principle of lifelong learning and to assist teachers towards success in their profession. If conducting LAC session is no longer an important school activity, the DepEd may need to revisit its outcome indicator for the EHRD program to better monitor and measure teacher improvement and to make budgeting more practical and feasible on the basis of a clearer and measurable program performance indicator. The OSEC and TEC should work closely on the effective planning and implementation of the EHRD program as well as the efficient and reasonable fund allocation and utilization.

²⁴ *DepEd 2023. DepEd highlights learner socio-emotional support directions in first 2023 Research O’Clock episode*
<https://www.deped.gov.ph/2023/06/26/deped-highlights-learner-socio-emotional-support-directions-in-first-2023-research-oclock-episode/>

²⁵ *DepEd Order No. 35 s 2016*

VI. COMMISSION ON AUDIT FINDINGS AND RECOMMENDATIONS

- 6.1 The Commission on Audit (COA) is mandated by the Philippine Constitution to submit to the President and to Congress an annual audit report (AAR) on the financial condition and operation of government agencies. Pending the release of the COA 2024 AAR, this section will reiterate the 2023 findings and observations made by the COA on the DepEd, particularly OSEC. Update on the status of implementation of COA recommendations was also provided in the discussion based on the COA validation report conducted in November 2024²⁶.
- 6.2 The audit covered the review of the accounts and operations of the DepEd for CY 2023, except for the Regional Office (RO), School Division Offices, SDOs, and National High Schools under the jurisdiction of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). The COA rendered an Unmodified Opinion on the fairness of the presentation of the financial statements (FSs) of the DepEd-OSEC for CY 2023 which indicates that their FSs were prepared, in all material respects, in accordance with the applicable financial reporting framework.
- 6.3 *Substantial amount of unused fund.* DepEd-OSEC was able to obligate P697.65 billion or 94.9% of its total adjusted allotments of P735.39 billion, leaving an unutilized balance of P37.73 billion or 5.1% of the total allotments, which is mainly attributed to the delayed/partial/non-implementation of various programs, activities and projects (PAPs) and unfilled plantilla positions. Moreover, deficiencies were noted such as the following: a) incurrence of overdraft in allotment; b) obligations incurred without valid and legitimate claims; c) doubtful propriety of realignment of funds; d) prior year's expenditures charged against current year's appropriations; and e) other deficiencies noted in the preparation of budget reports and utilization/monitoring of funds. COA recommended a thorough annual planning to ensure that targets set for procurement and implementation of PAPs are realistic and feasible. It was also recommended for DepEd to present a catch up plan including interventions on PAPs with unutilized or underutilized allotments. Per validation done in November 2024, the agency's Year-end planning and assessment were yet to be held.
- 6.4 *Irregularities in the implementation of the DepEd Enterprise Resource Planning System (DERPS) Project.* Part of the DepEd Computerization Program (DCP) is the automation of common organizational processes through the DepEd Enterprise Resource Planning System (DERPS) which was launched in 2019. The DERPS covers the infrastructure, software, and change management services needed to implement an integrated system for asset management, procurement, payroll, and human resources. The procurement of the DERPS system was coursed through the Procurement Service of the Department

²⁶ Based on COA Agency Action Plan Monitoring Tool (APMT) for DepEd.

of Budget and Management (PS-DBM). Based on the 2023 COA Report, the DepEd paid P1.06 billion or 78.5% of the total project cost of P1.36 billion for the DERPS despite the following:

- a. non-completion of the project within the agreed timeframe;
- b. non-adherence to prescribed rules and regulations and the terms of the contract and non-observance of sound management;
- c. the questionable capacity/expertise of the PS-DBM to undertake a highly technical project;
- d. non-delivery or implementation of the intended project's milestones but with issued Certificate of Completion and Acceptance (COCA); and
- e. absence of pertinent documents to support the fund transfer and the liquidations thereof.

6.5 Moreover, it has not resorted to remedies such as imposition of liquidated damages, termination of contract and forfeiture of performance security despite incurrence of delays and even proceeded with the payment of the Core Network and Managed Co-Location Facilities (CNMCF) Project despite the non-implementation of the Phases I and II projects. Consequently, due to the project's non-take off, ICT equipment in RO XIII amounting to P9,060,000.00 received from CO and deemed part of the DERPS Phase II project remained unused to this date. All these exposed the government to wastage of public funds. The COA recommended for DepEd to conduct an investigation on those involved in the implementation of the DERPS Phase II project for the possible gross neglect of duties causing the improper disposition of public funds resulting in the payments of the contract price despite the non-completion of the project.

6.6 To ensure adherence to government accounting and audit rules and regulations, the COA recommended a thorough and diligent evaluation of the capacity of the contractor be undertaken for future similar transactions and stop contracting with PS-DBM as an Implementing Agency for transactions which are not within their expertise. Per COA validation in 2024, this recommendation was implemented by DepEd while COA will continue to monitor any future contracts entered into by DepEd

6.7 *Vague authority of the Private Education Assistance Committee (PEAC) to manage funds for government assistance and subsidies to private education.* The Memorandum of Agreement (MOA) entered into by the DepEd and the PEAC lacks clarity and necessary provisions on the prescribed government rules on the utilization of public funds, resulting in the improper recording and accounting thereof of the funds to the disadvantage of the government.

6.8 Furthermore, the absence of sufficient and concrete basis to establish the reasonableness of the annual payments/fund transfers to PEAC for Government Assistance to Students and Teachers in Private Education (GASTPE) program implementation, including the In-service Training (INSET), demonstrates the lack of transparency and fiscal responsibility of the Department. Likewise, DepEd's dependence on PEAC for the implementation of GASTPE

program, despite the legal uncertainties surrounding its juridical personality, poses significant risks to the program's continuity.

- 6.9 This particular observation has been one of the many recurring audit findings of COA on the operations of DepEd-OSEC. Based on the validation made by COA in 2024, revision and finalization of MOA were still pending hence, the following recommendations by COA remains not implemented: (i) ensure that provisions in the MOA are clear and unambiguous, and (ii) ensure that provisions on the critical aspects such as terms, conditions and accountability measures on the utilization of the funds and submission of required reports are explicitly and comprehensively agreed upon in the MOA, and in accordance with government rules and regulations.
- 6.10 *Low fund utilization for Learning Tools and Equipment (LTE) Program.* The objectives/design of the LTE Program which is to advance the learner's education from public schools with allotments of P5.10 billion in CY 2023, were not realized due to:
- a. Low fund utilization from CYs 2021 to 2023 with average obligation and disbursement rates of only 40.9% and 10.9%, respectively, which include an unimplemented LTE project in RO XIII SDO Surigao del Sur amounting to P1.7 million;
 - b. Non-attainment of procurement targets with accomplishment rates ranging from 41.72 to 73.12 percent for Science and Mathematics Equipment (SME) and 2.80 to 43.02 percent for Technical Vocational Livelihood (TVL) in the last three years, while the status of deliveries is not readily available due to lack of data reported by DepEd as a result of inefficient monitoring;
 - c. Incomplete/delayed deliveries of goods to recipient schools attributed mostly to the breach of contract by the 3PL for which liquidated damages were not imposed nor contracts were terminated by the CO despite incurrance of major delays, and which may consequently expose the government to additional expenditures relative to warehousing costs; and
 - d. Allocation of TVL to schools which did not offer a subject relative to the use of the same.
- 6.11. The COA recommended that DepEd undertake an evaluation of the existing practices and procedures in the implementation of LTE Programs to address the accumulation of significant unutilized fund. In order to prevent lapsing or reversion to the unappropriated surplus of the General Fund, the COA recommended that DepEd cause the full utilization of the allotments received within the period of its validity through coordination with the concerned project proponents, and to revisit its procurement processes to address errors in the system being implemented that hinders the immediate delivery to recipients. Per COA validation in 2024, DepEd has not implemented these recommendations citing procedural issues such as failure of bidding as cause of delay or low utilization rate for 2023.
- 6.12. *Zero accomplishment rate of the DepEd Computerization Program.* The objectives of the DepEd Computerization Program (DCP) were not realized when the program registered low budget and disbursement utilization rates of only 50.1% and 23.3% , respectively, and at the same

time reflected a zero accomplishment rate due to the CO's inability to complete the procurement process for DCP FY 2023 in time for the proposed execution date per APP.

- 6.13 Other deficiencies were also observed, such as: (i) lapses in the procurement process, particularly on the repeat order of 16,416 packages; (ii) delayed/non-delivery and inefficiencies of the 3PL service provider; and (iii) delivered to regions not included in the allocation list; (iv) DCP packages were not stored properly. All these bears on the DepEd's realization of the timely distribution of these information technology infrastructures aimed to upgrade and strengthen the ICT competencies of learners, teaching and non-teaching personnel nationwide for a globally competitive quality of education.
- 6.14 The COA recommended for DepEd to strengthen the monitoring and supervision of the DCP implementation, formulate strategies/measures, and exert best efforts to timely implement and complete the project for the benefit of the learners and teachers, as well as non-teaching personnel. Further, COA recommended that DepEd conduct an investigation to identify those who are accountable or liable for the lapses in the project. Unfortunately, COA validation report in 2024 showed that these recommendations were still not implemented.
- 6.15 *Delays in the implementation and completion of Last Miles School Program (LMSP).* The DepEd was not able to attain the objective of the LMSP when the CO stalled to accomplish its centrally-procured LMS construction projects funded from CY 2021 budget, wherein 76 out of 98 facilities with total contract cost of P1.41 billion were still not completed during the year despite payment of mobilization fees of P211.2 million; and had not undertaken legal remedies such as the imposition of liquidated damages on the delayed implementation for as long as 555 days and the eventual termination of contracts, to enable the protection of its interests.
- 6.16 The COA recommended that the DepEd submit a catch-up action plan showing the immediate courses of action/s it has to undertake to prevent any more delays in the LMS program implementation. It also recommended that DepEd judiciously plan future similar undertakings on the basis of feasibility which establishes the technical viability of the project, and to expedite the assessment on whether the justification provided by contractors for their request on extension of respective implementation of contract is deemed acceptable to be able to take the necessary actions. Per COA validation in 2024, these recommendations were still not implemented by DepEd.
- 6.17 *Non-adherence to Gender and Development (GAD) funding allocation requirements and other related processes.* The DepEd's Agency-consolidated GAD Plan and Budget (GPB) was not endorsed by the Philippine Commission on Women (PCW) to the DBM for the following reasons:
- a. The allotted GAD budget of DepEd for FY 2023 was only P4.62 billion or 0.68% of its total appropriations of P676.14 billion, far below the minimum requirement of at least 5% of the total appropriation; and

- b. The comments and/or recommendations of PCW on the GPB were not immediately addressed/complied with by the Department.

Other deficiencies were noted as follows:

- a. Failure to establish a separate Responsibility Center (RC) and RC code for GAD-related financial transactions contrary to COA Circular No. 2021-008 dated September 6, 2021;
- b. Absence of PCW-endorsed GPB resulted in the lack of assurance whether the planned activities, targets and indicators were properly identified or formulated to address gender issues and conforming with the provisions of RA 9710 or the “Magna Carta of Women”; and
- c. Absence of a GAD Agenda and Strategic Framework, non-maintenance of the GAD database containing gender statistics and sex-disaggregated data (SDD), and inability to use the Harmonized Gender and Development Guidelines (HGDG) tool in the planning, budgeting, monitoring and evaluation of GAD PAPs, have cast doubts on whether these activities were effectively identified and have addressed the needs or gender issues and concerns in the Department.

6.18 The COA recommended that the DepEd comply with the mandatory budget for GAD of at least 5% of the total appropriations by developing and implementing GAD-related PPAs addressing gender issues and concerns not only of the Agency but also its clientele and by properly allocating/attribution portion or the whole budget of the agency’s major program/s or project/s to the GAD budget, and submit the GPB to the PCW for review and endorsement to DBM. It also recommended that the DepEd prioritize the finalization of the DepEd GAD Agenda and cascade it to its constituents which shall serve as a reference in developing the annual GPB and to address other deficiencies such as establishing and maintaining a GAD Database containing gender statistics and sex- disaggregated data. Per validation conducted by COA in 2024, implementation of these recommendations were still ongoing.

References

- Civil Service Commission. (2024). *Inventory of Government Human Resource (IGHRSv2.0) as of June 30, 2023*.
- Commission on Audit. (2024). *Annual Audit Report for the Department of Education 2023*.
- Congressional Policy and Budget Research Department.(2025). *Facts in Figures on National Status of Children under 5yo in 2023*. <https://cpbrd.congress.gov.ph/wp-content/uploads/2025/02/FF2025-03-NUTRITIONAL-STATUS-OF-CHILDREN-UNDER-5-IN-2023.pdf>
- Department of Budget and Management. (2024). *Briefer on the 2026 Budget Priorities Framework*
_____. (2024). *Budget of Expenditures and Sources of Financing 2024*
_____. (2024). *General Appropriations Act 2022-2025*.
_____.(2024). *National Expenditure Program 2026*
_____.(2024). *Staffing Summary FY 2026*.
_____.(2024). *Statement of Appropriations, Allotments, Obligations, Disbursement and Balances 2023-2024*
_____.(2024). *The President's Budget Message 2026*
- Department of Education.(2016) *Department Order No. 35 s. 2016*
_____.(2021) *Department Order No. 50 s 2021*
_____.(2023). *Department Order No.13, s 2023*
_____. (2024). *Datasets on Basic Education 2010-2025*
_____. (2024). *Financial Annual Report 1 2024*
_____.(2024). *Quarterly Physical Report of Operations, Ending 4th Quarter FY 2023-2024*
_____. (2024). *Major-Projects-Program-and-Activities-Status-of-Implementation-FY-2024*
_____.(2025). *Memorandum Oder dated 17 July 2025*
- Inquirer.net. August 17, 2025. *Keep Schools a Safe Space*.<https://opinion.inquirer.net/185425/keep-schools-as-a-safe-space>
- National Economic Development Authority. (2023). *Philippine Development Plan 2023-2028*.
_____.(2024). *Philippine Development Report 2023*.
- Office of the President-Presidential Management Staff. (2024). *The President's Report to the People 2022-2024*.
- Organization for Economic Cooperation and Development. (2015). *Sustainable Development Goal 2030*.
_____.(2018, 2022). *Results of Programme for International Student Assessment (PISA) 2018 and 2022*.
- Philippine Institute for Development Studies. (2021). *Employers worried about SHS graduates' readiness for work*. <https://www.pids.gov.ph/details/employers-worried-about-shs-graduates-readiness-for-work>
_____. (2025). *On the Employability of Senior High School Graduates in the Philippines: Evidence from the Labor Force Survey*. <https://www.pids.gov.ph/publication/philippine-journal-of-development/on-the-employability-of-senior-high-school-graduates-in-the-philippines-evidence-from-the-labor-force-survey>
- Philippine Statistics Authority. (June 2025). *Labor Force Survey Results April 2025*.
<https://psa.gov.ph/statistics/labor-force->

[survey/node/1684076355#:~:text=Among%20regions%2C%20Cordillera%20Administrative%20Region,Table%20A\)](#)

Philippine Star. (January 25,2024). DepEd expands feeding program from120 days to full school year.
<https://qa.philstar.com/headlines/2024/01/25/2328463/depd-expands-feeding-program-120-days-full-school-year>

Philippine Star Global. (July 22, 2025). DepEd launches expanded 120-day school feeding program
<https://www.philstar.com/headlines/2025/07/22/2459721/depd-launches-expanded-120-day-school-feeding-program>

Philippine News Agency. (May 18, 2025). *DBM OKs 16K new teaching positions for SY 2025-2026.*
<https://www.pna.gov.ph/articles/1250334#>:

Professional Regulations Commission. (February 2018). *PRC Accredits the Department of Education through the National Educators Academy of the Philippines as CPD Provider for Teachers.*
<https://www.prc.gov.ph/article/prc-accredits-department-education-through-national-educators-academy-philippines-cpd>

Second Congressional Committee on Education (2024). *Year One Report 2024.*

(2025). Year Two Report 2025.

**EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2024-2026
(AMOUNTS IN MILLION PESOS)**

Particulars	2024					2025					2026				
	PS	MOOE	CO	FinEx	TOTAL	PS	MOOE	CO	FinEx	TOTAL	PS	MOOE	CO	FinEx	TOTAL
OSEC	611,795.4	135,968.4	9,826.8	-	757,590.6	589,240.1	156,080.1	33,922.8	-	779,243.0	703,626.3	181,417.6	41,785.7	-	926,829.6
NBDB	57.7	180.8	0.7	-	239.1	49.3	289.8	9.3	-	348.4	54.6	101.9	0.0	-	156.6
NCCT	19.1	54.3	4.9	-	78.3	21.6	86.0	4.2	-	111.7	26.0	46.6	0.0	-	72.6
NM	306.9	464.8	573.9	-	1,345.7	241.2	552.4	795.4	-	1,589.0	350.3	490.7	0.0	-	841.0
PHSA	42.2	72.6	2.0	-	116.7	41.0	85.8	26.5	-	153.3	49.9	75.2	35.7	-	160.7
ECCDC	16.7	296.9	3.1	-	316.8	15.3	401.4	2.5	-	419.3	0.0	0.0	0.0	-	-
NAS	43.3	237.9	11.0	-	292.2	37.2	247.0	22.2	-	306.3	58.4	192.8	-	-	251.1
TEC	-	-	-	-	-	-	-	-	-	-	4.9	201.7	0.9	-	207.5
Total	612,281.4	137,275.6	10,422.3	-	759,979.3	589,645.5	157,742.6	34,782.9	-	782,171.0	704,170.3	182,526.5	41,822.3	-	928,519.2

Source: FY 2026 BESF

**EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2024-2026
(AS PERCENT TO TOTAL AGENCY)**

Particulars	2024					2025					2026				
	PS	MOOE	CO	FinEx	TOTAL	PS	MOOE	CO	FinEx	TOTAL	PS	MOOE	CO	FinEx	TOTAL
OSEC	80.76	17.95	1.30	-	100.00	75.62	20.03	4.35	-	100.00	75.92	19.57	4.51	-	100.00
NBDB	24.12	75.60	0.27	-	100.00	14.15	83.17	2.68	-	100.00	34.89	65.11	0.00	-	100.00
NCCT	24.43	69.37	6.20	-	100.00	19.32	76.92	3.76	-	100.00	35.82	64.18	0.00	-	100.00
NM	22.81	34.54	42.65	-	100.00	15.18	34.77	50.06	-	100.00	41.65	58.35	0.00	-	100.00
PHSA	36.13	62.17	1.70	-	100.00	26.74	56.00	17.26	-	100.00	31.02	46.76	22.22	-	100.00
ECCDC	5.29	93.73	0.98	-	100.00	3.65	95.75	0.60	-	100.00	0.00	0.00	0.00	-	0.00
NAS	14.83	81.41	3.75	-	100.00	12.13	80.64	7.23	-	100.00	23.24	76.76	0.00	-	100.00
TEC	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	-	0.00	2.37	97.63	0.42	-	100.00
Total	80.57	18.06	1.37	-	100.00	75.39	20.17	4.45	-	100.00	75.84	19.66	4.50	-	100.00

Source: FY 2026 BESF -