

Basic Education Sector Reform Agenda (2006-2010)

Department of Education, Republic of the Philippines, August 2005

The Department of Education (DepED) is currently implementing the ***Schools First Initiative***, an effort to improve basic education outcomes through a broadly participated, popular movement featuring a wide variety of initiatives undertaken by individual schools and communities as well as networks of schools at localities involving school districts and divisions, local governments, civil society organizations and other stakeholder groups and associations.

Even as the Schools First Initiative seeks to improve the way all public schools perform now, the DepED is also undertaking fundamental reforms to sustain better performance. DepED is pursuing a package of policy reforms that as a whole seeks to systematically improve critical regulatory, institutional, structural, financial, cultural, physical and informational conditions affecting basic education provision, access and delivery on the ground. These policy reforms are expected to create critical changes necessary to further accelerate, broaden, deepen and sustain the improved education effort already being started by the Schools First Initiative. This package of policy reforms is called the **Basic Education Sector Reform Agenda (BESRA)**. This document summarizes the contents of this agenda.

Overall objectives of BESRA

The policy actions comprising the BESRA seek to create a basic education sector that is capable of attaining the country's Education for All Objectives by the year 2015. In summary, these objectives are:

1. Universal Adult Functional Literacy: All persons beyond school-age, regardless of their levels of schooling should acquire the essential competence to be considered functionally literate in their native tongue, in Filipino or in English.
2. Universal School Participation and Elimination of Drop-outs and Repetition in First Three Grades: All children aged six should enter school ready to learn and prepared to achieve the required competencies from Grade 1 to 3 instruction.
3. Universal Completion of the Full Cycle of Basic Education Schooling with Satisfactory Achievement Levels by All At Every Grade or Year: All children aged six to eleven should be on track to completing elementary schooling with satisfactory achievement levels at every grade, and all children aged twelve to fifteen should be on track to completing secondary schooling with similarly satisfactory achievement levels at every year.
4. Total Community Commitment to Attainment of Basic Education Competencies for All: Every community should mobilize all its social, political, cultural and economic resources and capabilities to support the universal attainment of basic education competencies in Filipino and English.

In order for the basic education sector to achieve the above listed desired educational outcomes for all Filipinos, the BESRA focuses on specific policy actions within five key reform thrusts (KRT) as follows:

- KRT 1: Get all schools to continuously improve
- KRT 2: Enable teachers to further enhance their contribution to learning outcomes
- KRT 3: Increase social support to attainment of desired learning outcomes
- KRT 4: Improve impact on outcomes from complementary early childhood education, alternative learning systems and private sector participation
- KRT 5: Change institutional culture of DepED to better support these key reform thrusts

In short, the five key reform thrusts of BESRA are on: schools, teachers, social support to learning, complementary interventions, and DepED's institutional culture.

Preparation of BESRA Policy Proposals

In the next ten months from August 2005 to May 2006, various task teams organized by DepED, with members drawn from various stakeholder groups and consultants engaged to assist them, are preparing the specific proposals for each policy action identified and described in this document. Most of the proposals are matters within the function, authority and power of DepED management to decide in accordance with existing laws; others require action by other government offices including the Office of the President; yet others may require new or amended legislation. As each of the policy proposals is detailed and specified, the draft official documents shall be reviewed and decided by DepED management. Those proposals that are within the administrative and legal authority of DepED will be adopted as appropriate; those that require action by other government authorities shall be duly endorsed for their appropriate action; those that require legislation will be submitted for consideration of Congress.

The preparation of each policy proposal included in the BESRA shall follow the careful, deliberate, research-based, participatory and interactive process that marked the manner of preparing the whole BESRA itself. Actual data, available facts and scientific research shall inform the policy preparation process. Consultations, public hearings, peer reviews, solicitations of positions papers, among other means of securing contributions from all concerned and interested, shall be required prior to the formulation of any draft policy proposal. The membership of the task teams shall seek to represent those closest to the issues in order to assure that their concerns are incorporated in the very process of formulating policy proposals. The discussions and deliberations undertaken in the course of formulating all policy proposals shall be fully and adequately documented.

As each policy proposal is submitted by the various task teams to DepED management, a routine process of public announcement and dissemination of the recommended draft proposal shall provide the general public with adequate opportunity to comment on each proposal prior to its final adoption.

Key Reform Thrust 1: School-level stakeholders improve their own schools continuously.

Why this reform thrust is important: Schools are the community-based social institutions that provide the most widely available formally organized instruction, which is expected to enable students to learn and thereby attain their desired educational outcomes. If schools are to deliver better outcomes in a sustainable manner, the key stakeholders, within the school and the community served by the school, must be enabled and empowered to manage their school-level affairs so that they deliberately and continuously improve the link between their own efforts and their collectively desired educational outcomes. The central insight of this reform thrust is that people most actively and directly involved in and affected by the schools' operations are the best people to improve the quality of these schools.

Progress in this key reform thrust will be indicated by:

1. Increased percentages of all public schools that have current school improvement plans (SIP) prepared, implemented and monitored through a participatory process led by school heads working with organized school governing councils (SGC).
2. Increased percentages of public schools with SIP's prepared, implemented and monitored thru a participatory process that meet specific quality dimensions included in an SIP assessment instrument. (These quality dimensions include: linkage of SIP activities with improved learning outcomes; depth or level of community participation; priority given to meeting teachers' needs for better teaching practice; support given to classroom improvement; and consistency with school's long-term development plans).
3. Increased levels of resources managed and controlled at the school level.
4. Improved levels of school-wide student performance based on results of national standardized tests.

Main policy actions identified to generate progress in this key reform thrust:

The following three policy actions are all within the legal mandate of Chapter 1- Governance of Basic Education, Section E. School level of Republic Act No. 9155, Governance of Basic Education Act of 2001.

1.1 A head for every school: Ensure that every school or cluster of schools is led by a school head who is selected, prepared, supported, monitored and made accountable for organizing and leading an institutionalized school improvement process at the school/community level.

1.2 A school/community process of continuous school improvement: Institutionalize an efficient, participatory, and continuous school improvement process in every school. Enable every school to routinely prepare a school improvement plan (SIP), implement it, monitor and report its implementation, and evaluate its results in terms of school-wide

attainment of desired learning outcomes. Enable every school and its community to establish and maintain functional and empowered School Governing Councils supporting the operational leadership of the school head in the school improvement process. Provide schools with means to adopt mechanisms and practices for school-level accountability to parents, community, LGU's, and the DepED hierarchy, including use of School Profiles, School Report Cards and similar modes of reporting measurements of school-wide educational outcomes (participation, completion and achievement). Expand schools' use of student tracking systems to, among others, follow-up students who are frequently absent, encountering difficulties and/or who are lagging behind. Establish and sustain school/community level measures for enhancing basic health and nutrition conditions of students and school staff, which should be included as an important part of the SIP and a key responsibility of the SGC.

- 1.3 A school-based resource management framework: Create a simple and practical school-based framework for comprehensive management of all resources available to schools (e.g., those coming from the GAA, local government funds, community contributions and other sources), for the attainment of the school's mission, particularly desired learning outcomes. Evolve an administrative and operational environment, including installation of basic financial management and resource accounting systems appropriate to all types and sizes of schools, that enable schools together with their communities, to become self-governing (i.e., to autonomously decide and act on matters related to education delivery at the school level).

The fourth policy action below will be pursued on the basis of the legal mandate of Department of Education officials and employees to serve as co-chairperson and members of local school boards of local governments according to Book 1, Title 4 - Local School Boards, Sections 98 to 101, of Republic Act No. 7160, Local Government Code of 1991.

- 1.4 A schools-driven DepED representation in Local School Boards of LGU's: Enable school heads and school governing councils to monitor and influence LGU spending for basic education, particularly in relation to the use of SEF collections.

Key Reform Thrust 2: Teachers raise the prevailing standards of their profession to meet demands for better learning outcomes.

Why this reform thrust is important: Classroom performance of teachers is a critical factor behind learning outcomes attained by students of schools. A critical part of school improvement thus involves improvement of teacher performance in classrooms. Schools must be provided with more and better teachers capable of improving their capacity to teach well classes of reasonable size. Furthermore, since most education managers start out as teachers, improving the competence of teachers in the service will also likely improve the quality of future education managers. A central insight of this

reform thrust is that teachers themselves have the greatest stake and most direct influence in raising the prevailing standards governing the practice of their profession in order to meet social demands for better learning outcomes.

Progress in this key reform thrust will be indicated by:

1. Increased percentages of all DepED divisions using competency-based standards for assessing teacher performance, determining teacher development needs and priorities, selecting new teachers for hiring and promoting teachers.
2. Increased percentages of all new teachers (national and local payrolls) deployed in schools at each DepED division that were selected and hired based on teacher competency standards of the division.
3. Frequency distributions of class sizes (schools, divisions, regions and national) clustered more closely around the average.
4. Increased percentages of all classes requiring assignment of specially trained teachers served by teachers with correct preparation and qualifications (e.g., high school science classes handled by teachers with correct science majors, multigrade classes handled by teachers with multigrade training, and alternative learning programs handled by mobile teachers with required training).

Main policy actions identified to generate progress in this key reform thrust:

The first five policy actions that follow can all be undertaken by DepED as part of the implementation of Chapter 1 – Governance of Basic Education of Republic Act No. 9155, Governance of Basic Education Act.

- 2.1 A framework for competency-based standards for teachers: Adopt a national framework using teacher competencies as the basis of standards for assessing new teachers' readiness for hiring and deployment, incumbent teachers' current performance, and teachers' priority needs for professional development. Teacher competencies cover such areas as language proficiency, subject matter mastery, pedagogical and classroom management skills, and commitment to profession and community, among others, which define various dimensions of teacher capability known to be important for improved learning outcomes.
- 2.2 A rolling 5-year projection of new teacher hires: Prepare a rolling 5-year projected staffing pattern for all schools that identifies expected staffing requirements and estimates of numbers of future hires for different types of positions in different divisions. Maintain a rolling 5-year series of annual forecasts of future teacher demand at the national, regional and divisional levels, that can be used as basis for announced changes in future hiring standards that will require prior responses by pre-service teacher education programs and the professional licensing of teachers.
- 2.3 Progressive upgrades in division level teacher hiring practices: Enable all divisions to progressively improve the quality of teachers they hire based on national competency standards adapted to local conditions. Set up

rolling 5-year timetables for each division to program a year-by-year raising of minimum standards for hiring future teachers. At all divisions, develop new rules, procedures, and instruments governing hiring, together with appropriate staff who are capable of scientifically assessing teacher applicants in terms of their probable performance in actual conditions of classroom practice against prevailing performance standards.

2.4 Regional, divisional and school level targets for distribution of class sizes:

Improve the deployment of available numbers of nationally paid teachers in order to fairly distribute the instructional workloads among classes and schools. Set up and monitor compliance with rolling 5-year targets for improvements in class size distribution for regions, divisions and schools. In order to attain each year's targets, regions, divisions and schools would be authorized to use a variety of instruments to include: allocation of new teacher items; re-deployment of vacated items; encouragement of voluntary teacher transfers; and selective control of new enrollment in over-crowded schools in favor of less crowded schools nearby.

2.5 Division and school focus on improving teaching practice in schools:

Encourage each division to adapt the national framework for competency-based standards for teachers to the specific conditions and needs of the schools of the division. Use the division-specific teacher competency framework (and develop division and district staff capable of providing technical support on its use to schools) as the basis for each school's regular assessment of incumbent teachers' performance and determination of their priority development needs, linked to identified gaps and opportunities in student learning outcomes. Ensure that the process of SIP preparation, implementation and monitoring features the regular practice of school heads leading teachers in using student assessment data and classroom observations to collectively identify strengths and weaknesses in teacher performance, corresponding gaps in teacher competencies, and appropriate priorities in use of school-based resources to improve teaching and learning. Engage the SGC to increase the visibility, importance and commitment of schools/communities for teachers and students to attain high levels of proficiency in English, Science and Math. Expand availability to schools of cost-effective options for meeting teachers' priority needs for training and professional development that span a range of options, among others, self-learning and tutorials, school-based or division-based INSET, regional/central training, academic training in tertiary institutions, distance learning programs and computer-based courses, short courses by private and other providers.

The next two policy actions involve negotiated agreements with organizations and agencies over which DepED does not have any administrative authority. Memoranda of agreement will need to be entered between DepED and LGU's on the competency-based standards governing the hiring of locally paid teachers. Similar memoranda of agreements may also have to be negotiated with teacher education institutions, state colleges and universities and the Professional Regulation Commission. The Education Secretary's policy oversight function of the Commission on Higher Education as mandated by

Executive Order No. 434 may also be a source of administrative authority to pursue agreements with teacher education institutions and state colleges and universities.

2.6 All other sources of teacher hires to adopt division hiring practices:

Negotiate with local governments, local school boards, PTCA's and all other sources of local teacher hires supplementing the nationally provided positions to convince them to agree that locally hired teachers shall all be subject to the same procedures and standards adopted by the division for nationally hired teachers.

2.7 Pre-service teacher education and licensing to support future higher hiring standards: DepED's 5-year annual projection of future teacher hires can be used as an early signal to teacher education institutions and the professional teacher licensing system about what teacher competencies will be valued by the public schools in the coming years. Using these future forecasts, a synchronized set of corresponding year-by-year reforms in policies for pre-service and licensure can be developed and negotiated that will provide sufficient lead time for meeting the higher standards of future teacher hiring.

- All TEI's: More competitive entry and admission to teacher education programs; implementation of the new pre-service teacher education curriculum which includes extended exposure of student teachers to actual instruction under master teachers.
- All SUC's: State-assisted interventions to increase future supply of good teachers in English, Math and Science.
- PRC: Review and improvement of teacher licensure process to enhance its capacity to certify only teachers with essential capabilities to teach well.

The last policy action below will definitely require new legislation or an amendment to existing ones. The thrust of the policy action will be to assemble data and analysis that can support the formulation of draft legislation.

2.8 New legislation governing teacher (and non-teaching staff) compensation, benefits and conditions of employment: Develop a long-term strategy for improving teacher's compensation and benefits to attract better students into the teaching profession and keep the best teachers in the service, either in classrooms or in administrative positions. Provide incentives for hard-to-staff teaching positions. Explore public-private partnerships as a source for supporting teacher compensation, benefits and incentives. Adopt a longer probationary period (two to three years) for new teacher hires linked to a professionally mentored induction program with peer appraisals and assessments. Consider changes in rules on teacher deployment to include routine changes in grade level and school assignment of teachers to insure that teachers master the span of elementary or secondary curriculum.

Key Reform Thrust 3: Influential social institutions and key social processes are engaged by DepED to support national scale attainment of desired learning outcomes.

Why this reform thrust is important: For schools and teachers, and the whole DepED organization, to perform better, the basic education sector needs to secure sustained strong support for resources necessary for good instruction, which in turn, depends on parents' and students' recognizing that good instruction is vital to attaining their most valued personal, family, community and national aspirations. In order for parents and students to recognize the true and full value of securing desired learning from good schools, however, they need to observe the whole society reinforcing, emphasizing and enriching the same learning. One can hardly expect parents and students to support good schools when they do not see the rest of society reminding them of the value and desirability of the learning that good schools realize. The central insight of this reform thrust is that ordinary people from different spheres of society (i.e., persons not specifically trained or skilled in professional education) not only can enhance the learning that students derive from schooling, but also strengthen society's support for those teachers, schools and educators doing the best job in making such learning possible for all.

Progress in this key reform thrust will be indicated by:

1. Increases in the levels of educators' satisfaction with the quality of instruction that schools deliver.
2. Increases in the levels of parents' and children's satisfaction with the quality of education they obtain.
3. Increases in the levels of communities' satisfaction with the performance of schools serving them.
4. Improvements in national indicators of learning outcomes such as participation and completion rates, achievement rates and national sample scores in internationally comparable tests

Main policy actions identified to generate progress in this key reform thrust:

The first three policy actions below are in accordance with Chapter 1 – Governance of Basic Education, Section 7- Powers, Duties and Functions, Part A. National level of Republic Act No. 9155, Governance of Basic Education Act of 2001. These three actions involve the adoption multi-sectoral national strategies in support of learning in three major areas of knowledge of common interest to all Filipinos, namely, learning in English, in Filipino and in Math and Science.

Each of these national strategies would encompass the basic education curriculum and instruction in formal schooling, as well as the potential learning support provided by media, community, home and workplace, alternative learning options, civil society initiatives and all other social mechanisms that enhance learning. Each strategy shall also include consideration of alternative high schools e.g., science and technology schools, culture and arts schools,

open high schools, distance education, among others. And each strategy shall also consider the preparation and education of teachers and other types of mentors and guides best able to facilitate the desired learning in each area of knowledge.

All three strategies would be articulated for children reached by mainstream public schools, as well as for population segments requiring special education, for the differently-abled persons, for indigenous peoples, for Muslim Filipinos through madrasah education. Part of the strategies would be the streamlining of the curriculum, and the possible extension of the basic education cycle. The strategies will be formulated through consultations, researches, debates, etc. Once adopted, these strategies would include information campaigns to increase popular awareness and understanding about the current trends in educational outcomes in these areas of knowledge, and the current progress in implementing reforms necessary to sustain improvements in desired learning outcomes.

3.1 A national strategy in support of learning in English language: Engage leaders, influentials, experts, groups and institutions with an interest in Filipinos learning in the English language. Articulate a consensus on the role and importance of Filipinos learning in English. Identify resources, capabilities, assets, strengths and advantages available for Filipino mastery of English language. Propose actions, policies, projects, activities and initiatives that can accelerate, enhance, enrich and universalize Filipinos learning in English language. Recommend appropriate directions or priorities for schools, media, professions, enterprises, government agencies, churches and religions, and other social institutions.

3.2 A national strategy in support of learning in Filipino language: Engage leaders, influentials, experts, groups and institutions with an interest in Filipinos learning in the Filipino language. Articulate a consensus on the role and importance of Filipinos learning in Filipino. Identify resources, capabilities, assets, strengths and advantages available for Filipino mastery of Filipino language. Propose actions, policies, projects, activities and initiatives that can accelerate, enhance, enrich and universalize Filipinos learning in Filipino language. Recommend appropriate directions or priorities for schools, media, professions, enterprises, government agencies, churches and religions, and other social institutions.

3.3 A national strategy in support of learning Mathematics and Science: Engage leaders, influentials, experts, groups and institutions with an interest in Filipinos learning Math and Science. Articulate a consensus on the role and importance of Filipinos learning Math and Science. Identify resources, capabilities, assets, strengths and advantages available for Filipino mastery of Math and Science. Propose actions, policies, projects, activities and initiatives that can accelerate, enhance, enrich and universalize Filipinos learning Math and Science. Recommend appropriate directions or priorities for schools, media,

professions, enterprises, government agencies, churches and religions, and other social institutions.

The national level of DepED is also authorized, and held accountable and responsible by RA 9155 for “promulgating national educational standards and monitoring and assessing national learning outcomes”. As part of the national strategies in support of learning, the policy action described below involves a more detailed specification of the standards and outcomes which formal basic education schooling should meet.

3.4 A national quality assurance framework for basic education schooling:

The existing Revised Basic Education Curriculum (RBECE) will be further developed into an explicit learning accountability framework that defines what levels of learning students of schools and divisions should meet at various stages of the basic education cycle. This framework will be based on the national curriculum, but will provide leeway for local flexibility and relevance. To enable schools and divisions to meet expected learning outcomes, the framework should also include adequate support to instruction through sufficient quantity and better quality textbooks across all subjects, essential teachers’ guides and manuals (especially for all newly-hired teachers) and other instructional materials, preferably locally developed. The framework will thus encompass standards for inputs and processes linked to desired learning outcomes. This QA framework defines the minimum standards all schools should meet and the key measures to be taken to assure attainment of these standards. It will include a set of minimum national standards for capabilities, structures, processes and output based on a template for school improvement processes from planning to implementation to monitoring and evaluation. Finally, the QA framework shall include a system of nationally standardized student assessments, outcomes measurement and reporting of basic school statistics that together will provide the basic data about directions, levels and trends of progress in the ongoing educational reforms.

When the national strategies in support of learning in the three key areas have emerged, and the national quality assurance framework for basic education schooling has been drafted, DepED will then consider institutionalizing the multi-sectoral participation in national-level governance of basic education in its broadest sense to include not just formal schooling but also all other sources of learning in society. Section 5 of RA 9155 talks about communication channels that “facilitate flow of information and expand linkages with other government agencies, local government units and non-government organizations for effective governance”. The policy action below is a step in such direction.

3.5 An institutionalized national forum for multi-sectoral coordination in support of basic education outcomes: Establish a national governing council on basic education standards that can serve as the institutional steward and champion of the implementation of the national strategies

in support of learning as well as the national quality assurance framework for basic education schooling. This council can help DepED define, articulate and advocate the concept of quality Filipino basic education as one that forms a desired type of Filipino with certain distinct identities and core ethical values, apart from acquiring certain valued competencies. The national council can also enable local communities to understand and internalize this concept of quality Filipino education (an “educated Filipino” as one of “being” not just of “doing” or “knowing”) so that parents can assess the quality of schools from the kind of students they form.

This last policy action focuses on the preparation and training of basic education managers, which is a task implied by the many mandates and functions of DepED.

3.6A program and institution for forming basic education managers:

Establish a training and development institution for higher-level education managers, such as assistant superintendents, superintendents, assistant directors and directors, which is linked to the principals and school heads institute. This institution should dovetail to the school heads institute.

Key Reform Thrust 4: Providers of early childhood care and development, alternative learning services, and private sector increase their respective complementary contributions to national basic education outcomes.

Why this reform thrust is important: Even good public schools with good teachers will require the assistance and contribution of others in attaining the nation’s desired learning outcomes. Children entering school at Grade 1 need to be made ready for school through early childhood education from their birth onward. Adult illiterates, out-of-school youth and other learners not in school need to secure basic education competencies through alternative learning options. The private sector also needs to supplement the effort of public schools by serving families who opt to send their children to private schools and by offering private sector solutions to public education. These three segments of most Filipino communities – early childhood education, alternative learning providers and private sector – require a policy environment that strengthens collaboration among service providers within their localities and maximizes their respective contributions to the nation’s learning objectives. The central insight of this reform thrust is that effective convergence of early childhood education, alternative learning, private sector and public schools in localities will maximize learning impact of each one.

Progress in this key reform thrust will be indicated by:

1. Increased percentages of all Grade 1 entrants who meet the standards for school readiness

2. Increased percentages of ALS clients completing courses in basic and functional literacy
3. Increased percentages of takers of accreditation and equivalency tests in elementary and secondary levels pass
4. Percentage of total school enrollment served by private schools reach the target set by national policy

Main policy actions identified to generate progress in this key reform thrust:

- 4.1 Local delivery models for cost-effective early childhood education: Develop new or scale up existing locality-based (municipal, city or province) ECE delivery models that feature, among others: assessments of readiness for school of all Grade 1 entrants; schools giving feedback to parents about the readiness of their children for school; schools giving feedback to local governments and community leaders about groups of Grade 1 entrants not ready for school; expansion of local ECE programs that demonstrate effectiveness in getting children ready for school; improvement of other programs to increase their effectiveness; adoption of standards known to enhance effectiveness of ECE programs; and LGU coordination of local ECE efforts at home, in communities, at day care and in pre-schools by government, non-government and private sectors.
- 4.2 Enhanced and accelerated ALS coverage: Review existing mandate of Literacy Coordination Council for possible revision to cover governance of alternative learning system, including adoption of policies and standards for alternative learning services by national government agencies, local governments, non-government organizations and the private sector. Develop or scale up locality-based (municipal, city or province) ALS delivery models. Develop capacity of service providers (public and private) to identify potential ALS learners in the areas where they operate thru referral and drop-out tracking system, and integrate literacy training in their programs of assistance reaching illiterate OSY and adults, and other learners. Establish structure and support mechanism of convergence at various levels.
- 4.3 A private sector strategy for basic education: Identify potential of various roles of private sector in basic education: private schools; private management of public schools; private sector participation in public schools governance; private enterprises performing public education functions as contractors or suppliers; private financial contributions to public education. Determine the optimum level of private sector in these various roles. Ensure private sector participation to meet this optimum level. Expand private sector participation in education through reforms in the Educational Service Contracting scheme such as expansion of coverage through all areas of basic education and improved targeting where public sector capacity constraints are matched by available private sector capacity. Consider also possible private management of public schools and private sector services to public schools or school clusters (for example, INSET, supervision and assessment).

Key Reform Thrust 5: DepED changes its own institutional culture towards greater responsiveness to the key reform thrusts of BESRA.

Why this reform thrust is important: The first four key reform thrusts would change the policy environment of schools, teachers, social support for learning, providers of early childhood education and alternative learning services, and private sector involvement in basic education. The key institutional player behind the formulation, adoption and implementation of these policies, now and over the long-term, is the Department of Education, particularly its national, regional and divisional offices. If these reforms are to advance, take root, blossom and bear fruit, the institutional culture of DepED will need to change to become more hospitable to these reforms. In particular, DepED will need to move out of its worst centralized, bureaucratized, mechanistic and simplistic mindsets and habits if it hopes to attain population-wide higher level learning outcomes. For reforms to occur at scale and be sustained in the long-term, DepED's organizational culture, financial systems, technological capabilities and accountability environment have to adjust to the demands of these reforms. The central insight of this reform thrust is that the culture of the institution behind reform policies must change if the policies were to have a chance of eventually succeeding.

Progress in this key reform thrust will be indicated by:

1. High levels of deep understanding among incumbent DepED managers at central, regional and divisional offices of DepED's strategy for culture change and its integration into the modernization plans of DepED offices.
2. A new national budget framework established featuring multi-year, goal-based funding levels with equitable allocations to localities linked to LGU contributions and allocations to schools specified according to a transparent formula.
3. Increased levels of favorable public perceptions of honesty, integrity and professional excellence of DepED offices
4. ICT strategy adopted and implemented according to targets

Main policy actions identified to generate progress in this key reform thrust:

- 5.1 A strategy for institutional culture change integrated into organizational modernization plans for central, regional and divisional offices: Develop a strategy for changing the institutional culture of DepED towards becoming more supportive of the directions of the reforms comprising BESRA. Implement the culture change strategy in the improvement of the operational capacity of central DepED through the modernization of its staff and facilities, as well as through increasing the transparency, accountability and integrity of its units, based on the newly rationalized structure and operations. Implement the culture change strategy in the Improvement of the operational capacity of 17 DepED regional offices through modernization of staff and facilities, as well as through increasing transparency, accountability and integrity of its units, based on

development and formulation of specific regional basic education support plans. Implement the culture change strategy in the improvement of the operational capacity of 184 DepED division offices through modernization of staff and facilities as well as through increasing transparency, accountability and integrity of its units, based on development and formulation of specific local basic education plans.

5.2 A new national budget framework for basic education: Seek approval for a new national budget format for basic education that is based on DBCC-approved multi-year baseline allocations sufficient to meet the basic resource needs of schools, providing sub-allocations to localities that is linked to specific levels of LGU contributions, specifying school-level sub-allocations that serve as the basis of school-based budgets. Increase annual budget outlays to meet enrollment and cost increases, eliminate resource gaps and attain target goals. Identify sources of potential savings in the existing budget for possible re-allocation to finance policy reform initiatives. Increase level and effectiveness of LGU spending for basic education at school and locality levels through direct mandates and cost-sharing schemes. Integrate all other international and local project initiatives in basic education within the overall basic education reform and operations framework. Integrate performance and internal audit mechanisms in the routine functions of the public schools system. Identify measures to increase revenues from education sector assets and administrative rules to enable DepED to use these revenues to finance policy reform initiatives, including teachers' compensation and benefits.

5.3 An ICT strategy for basic education: Develop and adopt a strategy for cost-effective use of ICT in basic education (for classroom instruction and teachers' training in schools, as well as for use by DepED offices). Expand and mainstream those already tested, cost-saving educational technologies as tried out in past programs and projects.