

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement is made and entered into by and between:

The **DEPARTMENT OF AGRICULTURE- SPECIAL AREA FOR AGRICULTURAL DEVELOPMENT**, through the National Program Management Office, with principal office address at SAAD Office, 3/F DA New Building, Elliptical Road, Diliman, Quezon City, represented herein by **DR. WILLIAM D. DAR** and hereinafter referred to as **DA SAAD**,

AND

The **CENTRAL LUZON STATE UNIVERSITY (CLSU)**, a higher education institution existing by virtues of Republic Act 4067, with principal office address at Science City of Muñoz, Nueva Ecija, Philippines represented herein by its President, **DR. EDGAR A. ORDEN**, and hereinafter referred to as **CLSU**.

WITNESSETH:

WHEREAS, the **Department of Agriculture** is the principal government agency mandated to develop the agriculture and fisheries sectors in the country through the provision of adequate and appropriate support services;

WHEREAS, the **Department of Agriculture** implements the **Special Area for Agricultural Development Program, a locally funded project** that was created to help alleviate poverty among the marginalized sectors of agriculture and fishery in the thirty (30) priority provinces identified from the Philippine Statistics Authority (PSA) poverty reports as well as areas covered by Executive Order No. 70, series of 2018 within the covered SAAD Provinces;

WHEREAS, the **Central Luzon State University (CLSU)** is a state university that specializes in impact evaluation and impact evaluation studies in the agriculture and fisheries sector of the country.

WHEREAS, **DA-SAAD** will partner with **CLSU** to conduct a **Social Preparation and Enterprise Development Assessment** to assess the social preparation activities in relation to the establishment of community-based enterprises, identify issues/concerns on the social preparation activities & enterprise development and provide recommendations on the improvements of the program for the remaining FY 2022 and possible extension for FY 2023 - 2028.

WHEREAS, **DA SAAD** has the financial resources to support the Midterm Assessment proposal of **CLSU** as contained in the attached **Detailed Project Proposal** as Annex A of this Memorandum of Agreement, hereinafter referred to as the Agreement, for brevity.

WHEREAS, **CLSU** possesses the technical expertise and manpower to undertake the midterm assessment project as contained in the attached **Detailed Project Proposal**.

WHEREAS, **Secretary William D. Dar** and **Dr. Edgar A. Orden** are duly empowered to enter into, sign and execute this Memorandum of Agreement on behalf of their respective organizations.

WILLIAM D. DAR, Ph.D.
Secretary, DA

EDGAR A. ORDEN, Ph.D.
President, CLSU

NOW, THEREFORE, in consideration of the above premises, the parties mutually agree on the following:

Article 1
TITLE OF THE PROJECT

The project is titled "**SAAD Social Preparation and Enterprise Development Assessment**" hereinafter referred to as the "**PROJECT**."

Article 2
PROJECT

Section 1. *Bases for Implementation.* CLSU shall strictly implement the project in accordance with the approved project proposal as contained in the attached **Detailed Project Proposal** which shall form an integral part of this Agreement.

Section 2. *Modifications.* No modification of the project proposal or any deviation in the implementation thereof shall be allowed without the written consent of **DA-SAAD**.

Section 3. *Assignment of rights.* No part of the project including any rights thereto may be transferred, assigned or subcontracted to third parties, without the written consent of **DA-SAAD**.

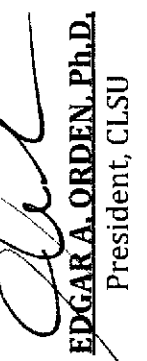
Section 4. *Work plan.* The schedule for the implementation of the project shall be set forth in the Workplan which shall form an integral part of this Agreement. The project shall be completed within 6 months and shall commence immediately or within 30 working days after the receipt of funds and Notice to Proceed from the DA. However, in case there is a change in the actual date of implementation or there is a need for extension of project duration due to causes beyond the control of and without that fault or negligence of the CLSU, a written request for such change or extension shall be sent to the DA, through the National Program Management Office. Such written request must be made by CLSU within a reasonable time after the occurrence of the event giving rise to the delay, but in no case later than 15 working days prior to the expiration of the approved project term. Delay or deviation in the implementation schedule of the project based on the Workplan shall not be allowed without the written consent of the DA.

Article 3
FUNDING, FINANCIAL RECORDS & REPORTS

Section 1. *Provision of funds.* The **DA-SAAD** shall provide the project funds in the total amount of **SIX MILLION SEVEN HUNDRED THIRTY-SEVEN THOUSAND SIX HUNDRED SEVENTY-EIGHT PESOS AND THIRTY-NINE CENTAVOS ONLY, (PhP6,737,678.39)**, for the project for a period of six (6) months in accordance with the provisions of the following sections.

Section 2. *Accounting & auditing standards.* All fund releases of the project shall be subject to existing standards of accounting and auditing laws, rules and regulations of the government. It shall also conform with the provisions of the Commission on Audit Circular No. 94—013 as amended (Rules and Regulation in the Grant, Utilization and Liquidation of Funds Transferred to Implementing Agencies), and Commission on Audit Circular No. 2012-001, s. 12 (Prescribing the Revised Guidelines and Documentary Requirements for Common Government Transactions) on the grant, utilization and liquidation of funds released.

Section 3. *Schedule of fund releases.* The budget for the project shall be released in an integral part of this Agreement. CLSU shall hold the DA free from any liability for any


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delay/s in the release of the funds due under this Agreement arising from causes that are not attribute to the latter or beyond its control.”

Section 4. *Fund Disbursement and Utilization.* In the course of implementation of the project, the **CLSU** shall be responsible and accountable for the direct disbursement of the funds in accordance with the project’s approved Line Item Budget (LIB). Request for necessary reprogramming or realignment of funds will depend on the requirement of **CLSU** as long as it will not affect the Project Proposal output. Any unutilized amount after the completion of the project implementation shall be returned to **DA-SAAD** supported with appropriate financial documents and justification/s.

Section 5. *Forms and documents for reports.* The **CLSU** shall accomplish such forms and prepare such documents as required by the **DA-SAAD** in accordance with the attached **SCHEDULE OF RELEASES AND OUTPUTS** as Annex B for monitoring and record-keeping purposes, or in compliance with government auditing rules and regulations.

Section 6. *Financial records.* The **CLSU** shall account for funds provided under this Agreement and shall keep and maintain financial records in accordance with accepted standards, principles and practices in accounting.

Section 7. *Right to inspect financial records.* The **DA-SAAD** shall have the right to inspect and audit all financial records kept by the **CLSU** related to the project at any time during and after the implementation of the project. The **CLSU** shall make all records available upon demand thereof by **DA-SAAD** and Commission of Audit.

Section 8. *Withholding of fund releases* – The **DA-SAAD** reserves the right to withhold fund releases of **CLSU** for the following reasons:

1. Substantial negative variance between actual accomplishments vis-à-vis the planned work for a given period as contained in Annex A and B as determined by **DA-SAAD**;
2. Unauthorized delay or deviations in the implementation of the project, unless delay is caused by any factor beyond the control of **CLSU** such as calamities and security issues;
3. Non-compliance with the reportorial and liquidation requirements;
4. Refusal to allow **DA-SAAD** representatives to inspect and audit the progress of the project; and
5. Inexcusable failure to produce financial records upon demand by the **DA-SAAD**

The **Project Leader** shall have shared accountability with the **CLSU** for the above mentioned reasons.

Section 9. *Termination/deferment of Project.*

The **DA-SAAD** reserves the right to terminate the project of **CLSU** for the following reasons:

1. Outside of *force majeure*, **CLSU** fails to deliver or perform any or all of the project’s objectively verifiable indicators specified in the project proposal, or within any extension thereof granted by **DA-SAAD** pursuant to a request made by **CLSU** prior to the delay;
2. The **CLSU** used the funds not in line with the detailed funding proposal nor requested approval of realignment of funds from **DA-SAAD**;
3. The **CLSU** does not execute the project activities in accordance with the approved project proposal or flagrantly neglects to carry out its obligations under the MOA;
4. The **CLSU** fails to perform any other obligation under the MOA; and
5. Recasting due to changing priorities of the oversight agencies that is beyond the control of **DA-SAAD**.

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The **Project Leader** shall have shared accountability with the **DA-SAAD** for the above mentioned reasons.

If any of the foregoing grounds for termination occur, the DA shall have the right to demand from CLSU the refund of undisbursed funds actually, directly and exclusively used in the implementation of the project, subject to such other sanctions as may be prescribed by pertinent laws, rules and regulations. Furthermore, CLSU shall be disqualified from receiving further grants and support under that SAAD Program.

The DA shall notify CLSU at least 30 calendar days before the date of termination.

Article 4
PROJECT MANAGEMENT, IMPLEMENTATION, MONITORING & EVALUATION

Section 1. *Project Management.* The **CLSU** shall be responsible for the orderly, systematic and timely implementation of the project based on Annex A and shall provide an adequate and efficient administrative support and management system necessary for its successful implementation.

Section 2. *Hiring of personnel.* The **CLSU** shall be responsible for the hiring of personnel whose positions are listed in Annex A. The services of all personnel hired by **CLSU** for the project shall be coterminous with the duration of the project unless sooner terminated based on valid and legal grounds.

Section 3. *Labor laws and Civil Service Commission (CSC) rules and torts.* No employer-employee relationship shall exist between **DA-SAAD** and the personnel hired by **CLSU** for the project.

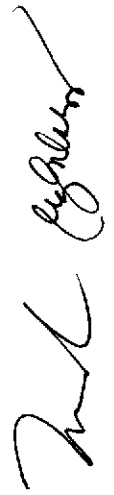
Section 4. *Planning, Monitoring and Evaluation.* **CLSU** shall provide the **DA-SAAD** the necessary information in the conduct of the whole assessment. Any unforeseen changes in conditions affecting the implementation of the project shall be recorded and reported immediately to **DA-SAAD**. The **DA-SAAD** shall likewise provide the necessary technical support and assistance, monitor and keep track of the progress of the project implementation and the utilization of the funds in accordance with the approved project proposal; and for this purpose, shall send representative/s for field visits and inspections.

Section 5. *Equipment.* All equipment outlay required for the conduct of the project shall be included in the project cost. At least 71% of ITEMS from capital outlay procured using the transferred funds will be turned over to the **DA-SAAD** upon project completion. The remaining 29% or less of items shall be donated to CLSU.

Article 5
INTELLECTUAL PROPERTY RIGHTS

Section 1. *Intellectual property rights.* The **DA-SAAD** and/or the Department of Agriculture may use, reproduce, refer or publish in any forms the output of the project. **DA-SAAD** will not be held liable by all means with such action.

Section 2. *Recognition of principal author/institutions.* All major reports or articles including tri media presentations using project data and output shall recognize the **CLSU** and the principal researchers and authors involved in the project as well as state and acknowledge **DA-SAAD** as the source of research funding support. For paper and poster presentations from the results of the **PROJECT** by the project leader, the **CLSU** shall officially



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Article 6
COMPLIANCE WITH LOCAL AND
INTERNATIONAL LAWS AND AGREEMENTS

Section 1. *Responsibility.* The **CLSU** shall be responsible in making sure that the execution of methodology and data gathering & processing, may it be primary or secondary data, are in accordance with local ordinances, laws, rules and agreements.

Section 2. *Third-Party Liability.* In case where third parties, both private and public, local and international, shall have a cause of action to sue as a result of the implementation of the methodology through this **Agreement**, **CLSU** shall assume full responsibility for any loss or damage caused to any person or property and shall hold the DA entirely free and harmless from all claims, damages, costs, charges and expenses whatsoever arising out of such loss or damage.

Article 7
BREACH OF CONTRACT

Section 1. *Amicable Settlement.* In case of breach of contract or when disagreement arises in the interpretation or implementation of the terms and conditions of this **Agreement**, both parties agree to freely and voluntarily submit themselves to necessary consultation and negotiation for purposes of amicable settlement. A good faith effort to settle the dispute amicably shall be made in the following manner

1. A notice in writing shall be sent by the concerned party to the other party stating therein the basis for the breach or disagreement;
2. The parties shall thereafter set a meeting/s for the purpose of settling the matter amicably within 30 days from date of receipt of the notice.
3. All agreements shall be reduced in writing and signed by the parties or their duly appointed representatives."

Section 2. *Administrative remedy.* If no amicable settlement is reached within sixty (60) days from receipt by the other party of the written notice, the concerned party shall file a complaint before the Office of the Solicitor General or the Secretary of Justice, depending on the nature of the controversy, following the rules of procedure of the said offices for dispute settlement where contending parties are government agencies, bureaus, or government owned and controlled corporations. Alternative legal remedies may likewise be availed of.

Article 8
AMENDMENT

Section 1. *Changes in Provisions.* In the course of implementation, and as the needs demand, amendment(s) of the MOA shall be made for any change(s) in the provisions. Any changes in the provision shall require revision of the existing signed MOA.

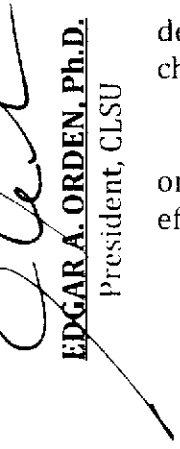
Section 2. *Separability clause.* If, for any reason, any part of this MOA is declared invalid or unconstitutional, any part or provision not affected thereby shall remain in full force and effect.

Article 9
FINAL PROVISION

Section 1. *Effectivity.* This Agreement shall take effect after the same is duly signed and of the project. The agreement is co-terminus with the approved duration of the project unless



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otherwise the project was recommended for termination before the project's actual completion, or project extension is granted.

IN WITNESS WHEREOF, the parties hereto have affixed their respective signatures this _____, 2021 in _____, Philippines.

DA

CLSU

WILLIAM D. DAR, Ph.D.

Secretary, DA


EDGAR A. ORDEN, Ph.D.

President, CLSU

Signed in the presence of:

ENGR. ARIEL T. CAYANAN

Undersecretary for Operations, DA


MARIA EXCELSIS M. ORDEN Ph.D.

Project Leader, CLSU

MYER G. MULA, Ph.D.

Program Director, DA SAAD


EVELYN Y. HILARIO

Accountant, CLSU

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
Province of Nueva Ecija) s.s.

BEFORE ME, a Notary Public for and in Nueva Ecija Province, this ___ day of _____, 2021 personally appeared:

NAME	Government Issued ID	Date Issued	Place Issued
EDGAR A. ORDEN	CLSU ID No. 19800502-04	Dec. 23, 2019	Science City of Muñoz, Nueva Ecija

Both known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their own free and voluntary act as well as those of the entities they respectively represent.

I FURTHER CERTIFY this Memorandum of Agreement which consists of _____ () pages including this page where acknowledgement is written, has been signed by the parties and their instrumental witness on each and every page hereof.

IN WITNESS WHEREOF, I have hereto set my hand and seal on _____ at _____, Philippines.

NOTARY PUBLIC

Doc. No. ____
Page No. ____
Book No. ____
Series of 2021

[Handwritten signatures and marks on the left margin]

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
Quezon City) s.s.

BEFORE ME, a Notary Public for and in Quezon City, this ___ day of _____, 2021
personally appeared:

NAME	Government Issued ID	Date Issued	Place Issued
WILLIAM D. DAR			

Both known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their own free and voluntary act as well as those of the entities they respectively represent.

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