

REPUBLIKA NG PILIPINAS
Republic of the Philippines
KAGAWARAN NG EDUKASYON
Department of Education
Maynila

TANGGAPAN NG KALIHIM
Office of the Secretary

October 8, 1971

DEPARTMENT ORDER
No. 18 ,s. 1971

RULES AND REGULATIONS ON THE IMPLEMENTATION
OF R. A. NO. 6362

To The Director of Public Schools,
The Director of Private Schools, and
The Director of Vocational Education:

1. Pursuant to the provisions of Sec. 6 of R. A. No. 6362 entitled "AN ACT PROVIDING FOR THE ACCELERATION OF THE ADJUSTMENT OF SALARIES OF PUBLIC SCHOOL TEACHERS AND FOR THIS PURPOSE AMENDING R.A. NO. 5168 OTHERWISE KNOWN AS "THE PUBLIC SCHOOL TEACHERS SALARY STANDARDIZATION ACT" AND APPROPRIATING FUNDS THEREFOR", there is herewith enclosed as annex to this Department Order a copy of the Rules and Regulations on the Implementation of R. A. No. 6362. A copy of said Act is also herewith enclosed.
2. It is desired that the respective Division and City Superintendents of Schools be instructed to mimeograph additional copies for distribution to all local school boards with a copy furnished to each provincial, city and municipal treasurer for their information and guidance.
3. It is further desired that Chairman of local school boards be well acquainted with the provisions of these Implementing Rules to insure the effective enforcement thereof for school year 1971-1972.

(SGD.) JUAN L. MANUEL
Acting Secretary of Education

AN ACT PROVIDING FOR THE ACCELERATION OF THE ADJUSTMENT OF SALARIES OF PUBLIC SCHOOL TEACHERS AND FOR THIS PURPOSE AMENDING REPUBLIC ACT NUMBERED FIFTY-ONE HUNDRED SIXTY-EIGHT, KNOWN AS "THE PUBLIC SCHOOL TEACHERS SALARY STANDARDIZATION ACT" AND APPROPRIATING FUNDS THEREFOR.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section five of Republic Act Numbered Five thousand one hundred sixty-eight is hereby repealed.

SEC. 2. The provisions of existing laws to the contrary notwithstanding, the salaries of Public School Teachers as of June 30, 1971 shall be adjusted to the minimum rates prescribed in Schedule "B" of said Act effective July 1, 1971: Provided, That the salaries of public school teachers whose positions are allocated to adjusted ranges 32 to 34 shall be adjusted to step three, two and one, respectively, of the said Schedule "B".

SEC. 3. Section six of the said Act is hereby amended to read as follows:

"SEC. 6. Salary progression from minimum to maximum.- The salary progression from minimum to maximum of the adjusted range shall consist of four steps, each succeeding step to be granted automatically after three years of satisfactory service and shall be implemented effective July 1, 1971: Provided, That the progression from minimum to maximum shall not extend beyond a period of ten years subject to the provisions of Section eight of this Act: And provided, finally, That for public school teachers who have rendered at least ten years of continuous satisfactory service at the time of the approval of this Amendatory Act, the period of progression from minimum to maximum shall be reduced to seven years."

SEC. 4. The funds necessary to implement the provisions of this Act during fiscal year 1972, shall be made available from the following sources:

(a) The five per cent salary adjustment for teachers from the Salary Adjustment Fund appropriated in the General Appropriation Act;

(b) The Special Education Fund, for which purpose the Secretary of Education shall fix the percentage of the differential payable directly to the teachers by each provincial, city and municipal school board and the percentage payable by the national government, taking into consideration the availability of funds from the shares of the school boards in the additional tax on real property imposed under Republic Act Numbered Five thousand four hundred forty-seven: Provided, That no other expenditure of the Special Education Stabilization Fund, except one million pesos for the operation and maintenance of the state scholarships under R.A. No. 4090, shall be incurred by the national government until its percentage shares for the salary adjustments authorized in this Act shall have been provided for: And Provided,

finally, That the provisions of Republic Act Numbered Five thousand four hundred forty-seven or any regulation promulgated thereunder, which may be inconsistent herewith, are hereby amended or modified accordingly;

(c) Unexpended surplus of the Special Education Stabilization Fund; and

(d) Savings from the general fund appropriations of the Department of Education.

The funds mentioned in (a), (b), (c) and (d) hereinabove mentioned, are hereby ... or reappropriated for the purpose of implementing the payment ... adjustments authorized in this Act.

... shall be extended to teachers actually performing duties and ... have been appointed or that of high ...

... shall prescribe the rules and salary adjustments under this ...

... administrative rules and regulations of this Act, are hereby repealed,

Effect July 1, 1971.

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RULES AND REGULATIONS ON THE IMPLEMENTATION
OF R.A. 6362, AMENDING R.A. 5168 FOR
SCHOOL YEAR 1971-72

Pursuant to Section 6 of R.A. 6362, entitled "AN ACT PROVIDING FOR THE ACCELERATION OF THE ADJUSTMENT OF SALARIES OF PUBLIC SCHOOL TEACHERS AND FOR THIS PURPOSE AMENDING R.A. No. 5168 OTHERWISE KNOWN AS "THE PUBLIC SCHOOL TEACHERS SALARY STANDARDIZATION ACT" AND APPROPRIATING FUNDS THEREFOR", the following rules and regulations for the effective enforcement of the provisions of said Act are hereby prescribed:

RULE I. -Amendment to Sec. 5 of R.A. 5168 - Implementation of Schedule "B".

Sec. 1. Sec. 5 of R.A. 5168, which provides for implementation of salary adjustment to the minimum rates, pursuant to Schedule "A" of said Act is repealed and in its stead the Amendatory Act, R.A.No. 6362, now provides in Sec. 2 thereof, the following:

The salaries of public school teachers as of June 30, 1971, shall be adjusted to the minimum rates prescribed in Schedule "B" of said Act effective July 1, 1971: Provided, that the salaries of public school teachers whose positions are allocated to adjusted ranges 32 to 34 shall be adjusted to step three, two and one, respectively, of said Schedule "B".

Enclosed as Annex "A" hereof is Schedule "B" of R.A. 5168 indicating the pre-adjusted range as of 1966 WAPCO Classification, the Intermediate range of corresponding ranges upgraded under B.C. No. 206 and promulgated under Department Order No. 12, s. 1970; and the adjusted ranges under Schedule "B". Thus, a teacher with a bachelor's degree in education is indicated as having the following ranges:

<u>Pre-adjusted</u> <u>1966</u>	<u>Intermediate Range</u> <u>B.C. No. 206</u>	<u>Adjusted Range</u> <u>Schedule B</u>
32	35	38

The basis for adjustment, under R.A. 6362, is range 38 which carries a minimum salary of ₱3792 per annum or ₱ 316 a month. The base range, therefore, is the WAPCO range of the position in 1966 and using Schedule A of R.A. 5168, determine the adjusted range as therein indicated. The same procedure for determining the minimum rate in Schedule "B" shall be followed for the other range classifications.

Sec. 2. In determining salary adjustments due a teacher under R.A. 5168, as amended, the basis shall be the actual salary of the teacher as of June 30, 1971 as carried in the national plantilla, any adjustments made under Schedule "A" in the last two years notwithstanding.

Sec. 3. Where a teacher receives a salary very close to but lower than the minimum rate of her adjusted range in Schedule "B", her salary should be adjusted to the minimum rate of her range in Schedule "B". Where the teacher receives a salary higher than the minimum rate of her adjusted range under Schedule "B", but said salary is lower than the rate in Step 1 in Schedule "B", her salary should be adjusted to Step 1 of ~~Schedule "B"~~. As a rule, no teacher shall suffer a reduction in salary by virtue of the implementation of R.A. 6362.

Sec. 4. A teacher whose actual rate of salary in the national plantilla as of June 30, 1971 is equal to that of the minimum rate of

year and has possession of an approved ERF, shall be entitled to the rate under the upgraded range on July 1st of the following year.

Sec. 6. Teachers whose salary rates prior to July 1, 1971 are lower than the rates they are entitled in accordance with their educational qualifications shall, effective July 1, 1971, be given the correct range allocation corresponding to their educational qualifications and the rate in accordance with R.A. No. 5168.

Sec. 7. The rate of salary of teachers appointed on or after July 1, 1971, shall be the minimum rate of the range allocation of the position in accordance with Sec. 4 of R.A. 5168 and Schedule "B".

Sec. 8. Substitute Teachers shall receive the minimum rate corresponding to their educational qualifications but in no case shall the rate be higher than the rate of the teacher being substituted.

RULE II. Special Provision for Teachers With Adjusted Salary

Ranges 32 to 34.

Sec. 1. As already stated, the Amendatory Act (R.A. 6362) provides special salary adjustments for teacher with adjusted ranges of 32 to 34. This includes teachers with educational qualifications below E.T.C., covered by Adjusted Ranges 32 to 34 under Schedule "B". The minimum rates for such ranges are as follows:

<u>Adjusted Range</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>
34	₱3264	-	-
33	-	₱3264	-
32	-	-	₱3264

Teachers with adjusted ranges of 32 to 34, ~~who~~ by reason of this special provision will all receive a minimum adjusted rate of ₱3264 per annum. They will remain with that salary for three years with the exception of those with ten years or more of teaching experience at the time of approval of this Act (July 30, 1971), who shall be covered by the provision of Sec. 6 of R.A. 5168 as amended by Sec. 3.

RULE III. Amendment to Sec. 6 of R. A. 5168, Salary Progression From

Minimum to Maximum.

Sec. 6 of R.A. 5168, as amended by R. A. 6362, now read as follows:

"SEC. 6. Salary progression from minimum to maximum. -The salary progression from minimum to maximum of the adjusted range shall consist of four steps, each succeeding step to be granted automatically after three years of satisfactory service and shall be implemented effective July 1, 1971; Provided, That the progression from minimum to maximum shall not extend beyond a period of ten years subject to the provisions of Section eight of this Act: And Provided, finally, That for public school teachers who have rendered at least ten

Sec. 1. As indicated in Annex "1" (Salary Schedule "B") the salary progression from minimum consists of four steps, the salary rate of the succeeding step to be granted automatically after three years of continuous satisfactory service. Subject to the exceptions as previously stated, teachers will, effective July 1, 1971, as a general rule, start with the minimum rate of their adjusted ranges and the following year will be entitled to Step 1 and at the end of three years of continuous satisfactory service will be automatically entitled to the rate in Step 2 and so on subject to the provision of Sec. 2 hereof.

Sec. 2. The amendment under R.A. 6362 places a premium to experience, with the proviso that those who have rendered at least ten years of continuous satisfactory service as of July 30, 1971 (date of approval) the period of progression from minimum to maximum shall be reduced to seven years. This shall be interpreted to mean that such teachers will stay only two years in each step of the progression so that at the end of seven years, they will have reached their maximum rate in Step 4 of Schedule "B".

Sec. 3. Subject to the provisions of Sec. 8 of R.A. 5168, the salary progression from minimum to maximum of Schedule "B", shall be as follows:

a. For teacher with less than ten (10) years of teaching experience at the time of approval of this Act, R.A. 6362:

<u>Min.</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>
1	3	3	3	(Max.)

b. For teacher with ten years experience

<u>Min.</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>
1	2	2	2	(Max.)

The figures indicate the number of years in each step of the progression.

RULE IV. Sources of Funding.

Sec. 1. Sec. 4 of R.A. 6362 provides the sources of funding for the implementation of this Act for FY 1971-72, as follows:

- a) The share of teachers from the Salary Adjustment Fund;
- b) The allotments for the payment of salary differentials appropriated by each provincial, city and municipal school board from their share of the Special Education Fund;
- c) The appropriation from the Special Education Stabilization Fund to meet the fund requirements in the payment of salary differentials;
- d) The unexpended surplus of the Special Education Stabilization Fund;
- e) Savings from the general fund appropriation of the Department of Education.

RULE V. Responsibility of School Boards

It should be noted that the Special Education Fund, both local and national, is the primary source of funding of the salary law. The responsibility for appropriating the necessary funds for salary adjustments in their respective budgets for FY 1971-72, in accordance with the percentages fixed by the Secretary of Education, devolves upon the local school board as well as the Office handling the Stabilization Fund under R.A. 5447.

Sec. 2. The order of priority of the activities funded from the share of each provincial, city and municipal school boards, under the Implementing Rules of R.A. 5447, is deemed amended or modified by the following proviso in Sec. 4(b) which reads:

"Provided, finally, that the provisions of R.A. 5447 or any regulation promulgated thereunder, which may be inconsistent herewith, are hereby amended or modified accordingly."

Salary adjustments of teachers pursuant to R.A. 5168, as amended, shall now occupy top priority in the expenditure of special education funds in each provincial, city and municipal school board.

RULE VI. Fixing Percentages in Appropriations for Salary Adjustments:

Sec. 1. Sec. 4(b) of R.A. 6362 authorizes the Secretary of Education to fix the percentage of the differential payable directly to the teachers by each provincial, city and municipal school board. While the rate of percentage of appropriation for salary adjustments against the estimated income will vary from board to board, and in view of limited time to gather the necessary data for purposes of a more accurate manner of fixing such percentage, the method of determining percentage of appropriations by local school boards shall be in accordance with the Formula in Annex "B" hereof.

RULE VII. Preparation of School Board Budgets: Plantillas.

Sec. 1. Using the formula for determining the percentage and amount of appropriations for the payment of salary differentials of teachers, in schools and offices under the jurisdiction of the school boards, it should be noted that each school board will, after deducting the appropriation for salary differentials, have a balance available for appropriation for other activities. This balance should firstly take care of extension classes in the case of city or municipal school board, if any, and secondly, on purchase of textbooks, and thirdly for other activities in accordance with the priorities enumerated in Sec. 2 of Rule VII for R.A. 5447. It should be mentioned that in view of the constraints imposed by law upon the Special Education Stabilization Fund, no funds will be available for assistance to local school boards this fiscal year for any item of activity other than salary adjustments under R.A. 6362.

Sec. 2. The principal budgets of local school boards, under the title "Source of Income", shall indicate all funds available for appropriation, which include the balances of the preceding fiscal year and the estimated income of the current fiscal year.



Sec. 3. Under title "Expenditures", the appropriation for salary differentials should appear first in the list of activities. The amount appropriated should correspond to the percentage fixed under Rule IV, hereof (Annex "B"). In support of the appropriation for salary differentials, there should be attached a summary of the plantillas as prepared by schools and the amount of differentials payable to the teachers. The amount of differentials as shown in the summary should include the amount corresponding to 9.5% for life and retirement insurance premiums (government share).

Sec. 4. All school board budgets for FY 1971-72 shall be submitted to the Office of the Secretary thru the Director, Bureau of Public Schools. The Secretary reserves the right to disapprove school board budgets which are not prepared in accordance with the foregoing rules, more specifically those in which the appropriations for salary differentials do not conform to the percentage fixed under Rule VI, Annex "B" hereof. Budgets disapproved by the Secretary shall be returned to the school board of origin for modification or revision as recommended. Sec. 7 of R.A. 5447 which provides that school board budgets are final and executory upon approval of the budget by the board is thereby deemed modified.

Sec. 5. Plantillas shall be prepared by schools. The Special Education Fund Office shall design the form for the preparation of the plantillas. It is important to indicate the correct designation of positions for every teacher listed therein, their correct ranges classifications, indicating range in 1966-69-71 in accordance of Sec. 1, Rule I of this Implementing Rules. Thus a teacher range whose range in 1969 is R-35 should be indicated as 32-35-38. Another important entry is "actual salary as of June 30, 1971". The actual salary of June 30, 1971 is understood to include whatever 5% salary adjustments were received and integrated in their basic salary prior to said date. The salary differentials due for one year is the rate due the teacher under Schedule "B" less the actual salary as of June 30, 1971.

Sec. 6. All plantillas prepared in accordance with the foregoing rule should be submitted to the school board under whose jurisdiction the school falls. This should then be recorded by the board chairman for purposes of appropriation, then forwarded to the Office of the Division or City Superintendent of Schools. The School Administrative Officer of the division shall process the plantillas and submit the same for approval of the division or city superintendent as the case may be. Plantillas of vocational schools once approved by the Vocational Superintendent shall be submitted to the chairman of the provincial or city school board. Plantillas checked and prepared in the general office of the Bureau of Vocational Education which are submitted direct to the Special Education Fund Office shall, upon approved by the Secretary be returned to the Superintendent of the Vocational School concerned who shall in turn submit the plantillas to the chairman of the provincial or city school board for payment. In case of non-payment of salary differentials of teachers in vocational schools, the Vocational Superintendent shall advise the Secretary accordingly.

RULE VIII. Remittances of collections: Retention

Sec. 2. School boards in provinces, cities and municipalities whose estimated income, local share exceed the fund requirements for salary differentials and therefore fall under Table A of Annex B, shall remit by check drawn in favor of the Secretary of Education, such portion of their collections each quarter as their contribution to the fund to implement the salary adjustments under R.A. No. 6362. To determine the amount of quarterly remittance, the school board concerned shall determine the percentage of the fund requirements of national employees, and the percentage of the fund requirement for those not paid thru IBM. For example, the total fund required for salary differential is ₱100,000 and the total amount for national employees paid thru IBM is ₱60,000 and those not paid by IBM is ₱40,000, the percentage representing national employees is $\frac{₱60,000}{100,000}$ or 60% and those not paid by IBM, i.e. to be paid by local school boards is 40%. On the basis of a quarterly collection on the 1% tax of ₱25,000, and considering the amount that should appertain to salary adjustment in the budget as 80% of estimated income, (Refer to Col. 3 Table A, Annex B) the portion appertaining to salary adjustment is $₱25,000 \times 80\%$ or ₱20,000. From this amount of ₱20,000, the board shall remit 60% or ₱12,000 representing its share as refund for payments of salary differentials of national employees for the quarter paid to them through IBM. The ₱8,000 shall be retained to pay differentials of employees paid by the local school board.

Sec. 3. School boards in provinces and cities and municipalities whose fund requirements for salary differentials exceed the estimated income, i.e. those falling under Table B, Annex B, shall retain their collections, the same to be used for paying the salary differentials of those teachers not paid by IBM. Said school boards shall at the same time apply for assistance from the Stabilization Fund. When applying for assistance, the school board budget shall invariably be attached as a supporting paper for such request.

Sec. 4. Requests for assistance by local school boards in provinces, cities and municipalities falling under Table A of Annex B, shall only be considered after it is shown that they have made a remittance of the collections of the next preceding quarter. No assistance will, however, be extended to school boards falling under Schedule 1 of Table A.

RULE IX. Special Cases.

Sec. 1. Cases not covered under any of the provisions of the foregoing Rules shall be brought to the attention of the Secretary of Education and resolved on the case to case basis.

Sec. 2. The Secretary of Education shall issue such supplementary rules and regulations as he deems necessary from time to time.

RULE X. Amendment.

Sec. 1. All circulars, memoranda or general letter issued relative to R.A. No. 6362 which are inconsistent herewith are deemed rescinded or modified accordingly.

ANNEX "A"

<u>PRE-ADJUSTED RANGE (1966)</u>	<u>INTER-MEDIATE RANGE (1969)</u>	<u>ADJUSTED RANGE SCHED-ULE B R.A. 6362</u>	<u>MINIMUM OF ADJUSTED RANGE</u>	<u>STEP 1</u>	<u>STEP 2</u>	<u>STEP 3</u>	<u>STEP 4 (Maximum)</u>
46	49	56	9288	9756	10260	10776	11328
45	48	55	8832	9288	9755	10260	10776
44	47	54	8400	8832	9288	9755	10260
43	46	53	7992	8400	8832	9288	9756
-	-	52	7608	7992	8400	8832	9288
42	45	51	7236	7608	7992	8400	8832
41	44	50	6888	7236	7608	7992	8400
40	43	49	6552	6888	7236	7608	7992
39	42	48	6240	6552	6888	7236	7608
38	41	47	5928	6240	6552	6888	7236
3-	-	46	5640	5928	6240	6552	6888
37	40	45	5376	5640	5928	6240	6552
36	39	44	5112	5376	5640	5928	6240
-	-	43	4860	5112	5376	5640	5928
35	38	42	4632	4860	5112	5376	5640
34	37	41	4404	4632	4860	5112	5376
33	36	40	4188	4404	4632	4860	5112
-	-	39	3984	4188	4404	4632	4860
32	35	38	3792	3984	4188	4404	4632
31	34	37	3612	3792	3984	4188	4404
30	33	36	3432	3612	3792	3984	4188
29	32	35	3264	3432	3612	3792	3984
28	31	34	3108	3264	3432	3612	3792
-	-	33	2952	3108	3264	3432	3612

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ANNEX "B"

FORMULA FOR DETERMINING PERCENTAGE AND AMOUNT
OF APPROPRIATIONS FOR SALARY DIFFERENTIALS OF TEACHERS
OF ALL PROVINCIAL, CITY AND MUNICIPAL SCHOOL BOARD FOR FY 71-72
PURSUANT TO R.A. 6362

TABLE A (School Boards with estimated Income in Excess of Fund Required
for Salary Differentials)

<u>Sched. No.</u> (Col. 1)	<u>% Excess of esti- mated income over fund requirement for salary diff.</u> (Col. 2)	<u>% of fund re- quired for pay- ment of salary differentials</u> (Col. 3)	<u>Method of Computation</u> (Col. 4)
1	Over 40%	100%	Estimated income - fund for salary differentials = excess of income over salary differential
2	31 - 40%	95%	
3	21 - 30%	90%	Excess $\frac{1}{2}$ estimated income = % of excess (Column 2)
4	11 - 20%	85%	
5	10% & below	80%	To determine amount of appropriation for salary diff.

Total requirement for salary diff. x % (Col. 3) = amt. of appro. for salary diff.

TABLE B (School Boards with fund requirement for Salary Differentials
in excess of estimated income)

<u>Sched. No.</u> (Col. 1)	<u>% Excess of Fund required for salary differentials over estimated income</u> (Col. 2)	<u>% of estimated income to be appro- priated for salary differentials</u> (Col. 3)	<u>Method of Computation</u> (Col. 4)
1	1 - 10%	75%	Amt. needed for salary diff. - estimated income = Excess of salary differentials over estimated income.
2	11 - 20%	70%	
3	21 - 30%	65%	Excess of salary differentials $\frac{1}{2}$ estimated income = % of excess of salary differentials over income (Col. 2)
4	31 - 40%	60%	
5	Over 40%	50%	Estimated income x % (Col. 3) = Amt. of appropriation for salary diff.

TABLE FOR DETERMINING PERCENTAGE
OF APPROPRIATIONS

To illustrate:

EXAMPLE 1 : City A has an estimated income available for appropriation for FY 71-72 in the sum of ₱750,000 with ₱300,000 as total amount required to pay the salary differentials of teachers which includes 9.5% for life insurance and retirement premiums. To determine the amount the school board shall appropriate for salary differentials, and using the formula above indicated, compute as follows:

$750,000 - 300,000 = ₱450,000$ excess of estimated income over fund requirement for salary differentials.

$\frac{450,000}{750,000} = .60$ or 60% % of excess of estimated income over fund required for salary differentials
(Refer to Column 2)

This case falls under Schedule 1 (Column 1) Table A. Under said schedule 1, City A will appropriate in its budget, the whole of ₱300,000 (100%) for payment of salary differentials to teachers. (Column 3)

i. e. $₱300,000 \times 100\% = \underline{₱300,000.00}$

EXAMPLE 2. : City B-
Total estimated income, FY 1971-72 - ₱600,000
Total fund needed for salary diff. - 450,000

Using formula:
 $600,000 - 450,000 = ₱ 150,000$

$\frac{150,000}{600,000} = .25$ or 25% % of excess. (Refer to Col. 2).

City B falls under Schedule 3, Table A

$450,000 \times 90\% = ₱405,000$ the appropriation of school board for salary differential

EXAMPLE 3. (Refer to Table B)
Municipality C -

Total estimated income - ₱ 60,000
Total fund required for salary differential - 80,000

Using formula (Table B)
 $₱80,000 - 60,000 = ₱20,000$ excess of fund requirement for salary differentials, estimated income.

Table for determining percentage of appropriations (cont'd)

$$\frac{20,000 \text{ (Excess of salary diff.)}}{60,000 \text{ (Estimated income)}} = .33 \text{ or } 33\% \text{ excess of salary differential over estimated income.}$$

Municipality C falls under Schedule 4 (Table B)

$$₱ 60,000 \times 60\% = ₱ 36,000 \text{ amount the school board will appropriate for salary differentials.}$$

EXAMPLE 4

Municipality D -

Estimated income	- ₱ 12,000
Total for salary diff.	- 18,000

$$18,000 - 12,000 = 6,000$$

$$\frac{6,000}{12,000} = .50 \text{ or } 50\%$$

Municipality D falls under Schedule 5 (Table B)

$$₱ 12,000 \times 50\% = ₱ 6,000 \text{ of its estimated income to be appropriated for salary differentials.}$$

EXAMPLE 5

Municipality E -

Estimated income	- ₱ 20,000
Total for salary diff.	- 24,000

$$24,000 - 20,000 = 4,000$$

$$\frac{4,000}{20,000} = .20 \text{ or } 20\%$$

Municipality E falls under Schedule 2 (Table B)

$$₱ 20,000 \times 70\% = ₱ 14,000 \text{ amount to be appropriated for salary differentials by school board.}$$

