

Republika ng Pilipinas  
(Republic of the Philippines)  
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS  
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)  
Manila

July 29, 1987

DECS O R D E R  
No. 78, s. 1987

IMPLEMENTING RULES AND REGULATIONS  
FOR EXECUTIVE ORDER NO. 189

To: Undersecretaries  
Assistant Secretaries  
Bureau Directors/Cultural Agency Directors  
Regional Directors  
Schools Superintendents  
Chief of Service and Heads of Units/Centers  
Presidents, State Colleges and Universities  
Vocational School Superintendents/Administrators

1. Inclosed is a copy of DECS-DBM Joint Circular No. 1 dated July 1, 1987 on the Implementing Rules and Regulations for Executive Order No. 189, Placing All Public Secondary School Teachers under the Administrative Supervision and Control of the Department of Education, Culture and Sports and for Other Purposes.
2. Please be guided accordingly.

(SGD) LOURDES R. QUILSUMBING  
Secretary

Incl.:  
As stated

Reference:  
None

Allotment: 1-2-3--(M.O. 1-87)

To be indicated in the Perpetual Index  
under the following subjects:

Course of Study, SECONDARY  
RULES & REGULATIONS  
SALARY  
TEACHERS

(Inclosure to DECS Order No. 78, s. 1987)

Republic of the Philippines  
DEPARTMENT OF EDUCATION, CULTURE AND SPORTS  
DEPARTMENT OF BUDGET AND MANAGEMENT  
M a n i l a

DECS-DBM JOINT CIRCULAR No. 1  
1 July 1987

TO : ALL CONCERNED OFFICIALS OF THE DEPARTMENT OF EDUCATION, CULTURE AND SPORTS, DEPARTMENT OF BUDGET AND MANAGEMENT, DEPARTMENT OF FINANCE, DEPARTMENT OF LOCAL GOVERNMENT, COMMISSION ON AUDIT, CIVIL SERVICE COMMISSION, LOCAL GOVERNMENT UNITS AND ALL OTHERS

SUBJECT: IMPLEMENTING RULES AND REGULATIONS FOR EXECUTIVE ORDER NO. 189, PLACING ALL PUBLIC SECONDARY SCHOOL TEACHERS UNDER THE ADMINISTRATIVE SUPERVISION AND CONTROL OF THE DEPARTMENT OF EDUCATION, CULTURE AND SPORTS AND FOR OTHER PURPOSES.

1.0 PURPOSE AND SCOPE:

1.1 This Circular is issued pursuant to the provision of Section 7 of Executive Order No. 189 dated June 10, 1987 to prescribe the rules and regulations for the placement of all public secondary school teachers under the administrative supervision and control of the Department of Education, Culture and Sports.

2.0 DEFINITION OF TERMS

2.1 Public Secondary School Teachers refer to the classroom teachers, principals, head teachers and other personnel occupying teaching-related positions specified in the Magna Carta for Public School Teachers (R.A. No. 4670) holding duly approved and attested appointments in the public secondary schools under the different local government units.

2.2 Special Education Fund refers to the fund created under Republic Act No. 5447.

2.3 Nationalization means placing the public secondary school teachers under the administrative supervision and control of the Department of Education, Culture and Sports.

2.4 Basic Salary of teachers excludes incentive pay, representation and transportation allowance, inflation-connected allowance, mandatory cost of living allowance, bonus, honorarium and such other emoluments authorized in addition to the basic

salary as prescribed under existing laws.

2.5 Part-Time Teachers are those whose set of duties and responsibilities do not require performance of the total number of prescribed teaching hours per week and paid on honoraria basis.

2.6 Full-Time Teachers are those whose set of duties and responsibilities require performance of the total number of prescribed teaching hours per week and paid regular monthly salaries.

### 3.0 DOCUMENTATION REQUIREMENTS

3.1 The local government units shall submit to DECS the following documents:

- a. Plantilla allocation list of full-time and part-time teachers, administrative support staff for the current school years 1986-1987 and 1987-1988, by school.
- b. Service Records, copies of the original and latest appointments and notice of salary adjustments of teachers.
- c. Enrolment by year in every school for SYs 1987-88, including 1984-85, 1985-86, 1986-87.
- d. Report on actual income for CY 1984, 1985 and 1986 and estimate for 1987 from tuition fee, matriculation fee and other income of each school as certified by the local treasurer concerned.

### 4.0 COMPENSATION

4.1 There shall be no diminution/reduction in all existing compensation received by public secondary school teachers as a result of their nationalization. Neither will the existing additional benefits of public elementary school teachers funded by local governments/local school boards be discontinued or reduced. New additional benefits to public school teachers may be granted in accordance with the Constitutional mandate for the standardization of compensation of government officials and employees as provided under Article IX (B), Sec. 5 of the 1986 Constitution.

4.2 The basic salaries and cost of living allowances of nationalized public secondary school teachers shall be paid in accordance with the rates prescribed under the national pay plan. In cases where the basic salaries and cost of living allowances of

nationalized secondary school teachers are in excess of those prescribed in the national pay plan, the excess shall continue to be paid by the local government unit concerned.

4.3 Starting January 1, 1968, the salaries and allowances of the nationalized public secondary school teachers shall be made on the basis of the appointments issued by the Department of Education, Culture and Sports. The processing of the payrolls shall be done in the DECS Regional Offices on a monthly basis based on the plantilla duly approved and certified by the schools division superintendent.

4.4 Starting January 1, 1968, the amount needed for compensation payments shall be released through funding warrants by the Regional Office of the DECS to the different school division superintendents who shall pay the teachers within their jurisdictions, subject to the usual accounting and auditing rules and regulations.

#### 5.0 BUDGETARY ASSISTANCE TO LOCAL GOVERNMENT UNITS

5.1 Any local government unit that will be prejudiced by the implementation of this Circular shall be entitled to financial assistance from the national government. In cases where the eighty percent (80%) share of the national government in the SEF is less than or equal to the basic salary and COLA of the nationalized teachers, the local government units shall remit the entire eighty percent (80%) to the National Treasury. However, in cases where the eighty percent (80%) share of the national government is more than the basic salary and cost of living allowance of the nationalized teachers, the local government units shall retain the excess and remit only an amount equivalent to the basic salary and COLA of nationalized teachers.

5.2 The amounts retained by the local government units shall continue to be used to finance the activities authorized under Section 1 of Republic Act No. 3447, as amended. The amount retained by the local government units shall be apportioned among the Provincial, City and Municipal Governments as follows:

a. City Governments and Municipal Governments in Metro Manila shall retain one hundred percent (100%) of their respective shares in the SEF collections.

b. Municipal Governments shall retain five-eighths

(5/8) of their respective shares in the SEF collections and remit the balance to the Provincial Government. The purpose of this is to maintain their proportional sharing under RA 5447, as amended.

#### 6.0 ADMINISTRATION OF THE FUND

6.1 In case of failure of the local government units to remit the amount as herein prescribed, the Department of Finance shall withhold a corresponding amount from the apportionment of the share of local government units in national internal revenue.

6.2 The DBM shall release the fund on a quarterly basis to the DECS to cover the amount for the monthly salaries and cost of living allowances based on the work and financial plan duly accomplished and submitted by the DECS out of the Six Hundred Million Pesos (P600,000,000.00) supplemental appropriation authorized in Section d of Executive Order No. 189. Thereafter, the necessary amount shall be provided for in the General Appropriations Act.

#### 7.0 PRIORITIES IN THE UTILIZATION OF SAVINGS TO BE GENERATED BY LOCAL GOVERNMENT UNITS AS A RESULT OF THE NATIONALIZATION OF SALARIES AND COLA

7.1 The amount to be freed/saved by the local government units as a result of nationalization of public secondary school teachers shall be expended in the following order of priorities:

1. settlement of valid past obligations of local government units to teachers,
2. payment of existing additional benefits paid by local government units/local school boards to public secondary and elementary school teachers, and
3. maintenance and other operating expenses of local secondary schools.

#### 8.0 TRANSITORY PROVISIONS

8.1 Starting July 1, 1987, the funds for the payment of the basic salary and cost of living allowance of teachers shall be released by the DBM directly to the DECS which shall henceforth pay the entire basic salary and COLA in accordance with existing accounting and auditing rules and regulations.

8.2 All incumbents are on a hold-over capacity until their new appointments are approved and issued by the Department of Education, Culture and Sports and attested by the Civil Service Commission.

8.3 No new public secondary school teachers shall be hired/appointed effective July 1, 1987 except to existing positions which are rendered vacant by reason of resignation, retirement, transfer or for other causes as provided by law.

8.4 Temporary teachers may be hired as a result of increase in enrolment, provided, however, that their basic salaries and cost of living allowance shall be paid by the local government unit concerned until the positions and compensation are absorbed into the regular plantilla and budget of the Department of Education, Culture and Sports.

8.5 In cases where a local government unit is not able to submit the documentation requirements provided under Section 3.0 hereof, it shall continue to pay the basic salary and COLA of the teachers without prejudice to its obtaining a refund from the DECS of the amount paid, upon submission of all documentation requirements.

9.0 REPEALING CLAUSE

9.1 The provisions of any existing regulations and circulars inconsistent with this circular are hereby modified accordingly.

10.0 EFFECTIVITY

10.1 This circular shall take effect immediately. Strict compliance is hereby enjoined.

(SGD.) GUILLERMO N. CARAGUE  
Secretary  
Department of Budget  
and Management

(SGD.) LOURDES R. QUISUMBING  
Secretary  
Department of Education,  
Culture and Sports