

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

November 18, 1991

DECS O R D E R
No. 128, s. 1991

PROCEDURES AND GUIDELINES FOR THE AVAILMENT
OF THE PROPERTY REPLACEMENT FUND

To: Bureau Directors
Regional Directors
Schools Superintendents
Presidents, State Colleges and Universities
Vocational School Superintendents/Administrators

1. It has been observed that several requests by DECS field offices have not been given due course by the Government Service Insurance System-Property Replacement Fund because they have not been completely complied with the claims requirement and documentation. Joint Circular No. 1-90 dated October 11, 1990 of both the Government Service Insurance System and the Department of Budget, copy attached, prescribes certain procedures for the availment of the property replacement fund.

2. Type of calamities which can be considered for availment under the Property Replacement Fund:

- a. Fire of any nature except arson
- b. Typhoon or tropical depression duly recorded by PAGASA
- c. Flood or any entry of water from without due to inundation of land not usually covered by water, extraordinary high tide, typhoon, cyclone, windstorm, bursting or overflowing of rivers, reservoirs, canals, and dikes
- d. Earthquake or fire duly recorded by the Philippine Institute of Volcanology (PHIVOLCS) as a result of the normal and extraordinary movement of the earth or volcanic eruption duly recorded by PAGASA.

3. A request for restoration/indemnification of damage or loss of property shall be submitted to the PRF, GSIS, by the agency using the herein attached Notice of Claim signed and sworn to by the head of agency, not later than ninety (90) days after the damage or loss. Thereafter, no claims shall be entertained. This request shall reflect the following:

- a. Name and description of the property
- b. Location of the property
- c. Time and cause of the loss or damage

- d. Amount of the loss or damage
- e. Description of the loss or damage
- f. Supporting papers:

- (a) Proof of ownership of the property
- (b) For loss or damage to buildings, a report of loss prepared by the district engineer of the Department of Public Works, with the concurrence of the building administrator or head of agency.
- (c) Police report.

d. Representatives of adjustment companies assigned by the GSIS to assess the costs of actual damages to school buildings and other DECS properties should be provided the necessary information and assistance. This will facilitate the completion of their work which would in turn lead to a more expeditious payment of the claim by the GSIS out of the PRF. These payments shall be made directly to either DECS field offices or individual schools.

5. For the information and guidance of all concerned.

(SGD.) ISIDRO D. CARINO
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:

- > BUILDINGS
- > BUREAUS & OFFICES
- > CALAMITIES
- > FUNDS
- > PAYMENT
- > PROPERTY
- > SCHOOLS

(Inclosure to DECS Order No. 128, s. 1991)

GOVERNMENT SERVICE INSURANCE SYSTEM
DEPARTMENT OF BUDGET AND MANAGEMENT

JOINT CIRCULAR NO. 1-90

October 11, 1990

TO : HEADS OF DEPARTMENTS, AGENCIES, BUREAUS, OFFICES OF THE NATIONAL GOVERNMENT, STATE UNIVERSITIES AND COLLEGES, OFFICES OF THE LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT, CONSTITUTIONAL COMMISSIONS, AND GOVERNMENT HOSPITALS AND SANITARIA.

SUBJECT : Guidelines on the Availment of the Property Replacement Fund (PRF)

1.0 Purpose

This Joint Circular is being issued to prescribe the guidelines on the availment of the PRF.

2.0 Background

This Property Replacement Fund was created under the General Appropriations Act for CY 1989 and is sustained in the 1990 budget for the restoration of losses of government property and payment of premiums for insurance against extraordinary losses of certain government property.

3.0 Scope of Cover

The Property Replacement Fund (PRF) shall cover the property of the Government.

3.1 Government refers to all offices of the executive, legislative and judicial branches, constitutional commissions, state universities and colleges and government hospitals and sanitarium.

3.2 Government property shall include office buildings, hospitals and sanitarium, school houses and facilities and property essential to agency operations which are stored therein or in buildings rented by the government, public works and highways road construction and maintenance equipment, aircraft and seagoing vessels.

3.2.1 Initially, the Property Replacement Fund shall cover all property of the government insured with the General Insurance Fund as of December 31, 1988.

3.2.2 Subsequently, the Property Replacement Fund shall extend to such other property which are supported by a duly accomplished property inventory using the form prescribed herein.

3.3 Restoration/Indemnification for any damage to or loss of property covered by the following perils:

3.3.1 For Restoration

- a. Fire - any nature except arson
- b. Typhoon - tropical depression duly recorded by PAG-ASA
- c. Flood - entry of water from without due to foundation of land not usually covered by water, extra-ordinary high tide, typhoon, cyclone, windstorm, bursting or overflowing of rivers, reservoirs, canals and dikes.
- d. Earthquake fire - fire as a result of the no signal or extra-ordinary movement of the earth or volcanic eruption duly recorded by PAG-ASA.
- e. Earthquake shock - damage to structures due to the extra-ordinary movement of the earth or volcanic eruption duly recorded by PAG-ASA.

3.3.2 For Indemnification

- a. Aviation and marine risks; and
- b. Other risks which are insured by the Fund.

4.0 Procedural Guidelines

4.1 On Submission of Inventory

4.1.1 All entities identified in item 3.1 shall accomplish the attached inventory form (Annex A) to reflect all property considered for cover under item 3.2

based on replacement cost and shall submit this to PRF, copy furnished the Systems and Procedures Bureau, DBM, on or before February 28, 1991. Property not supported by said inventory shall not be covered by the PRF.

4.1.2 The agency shall subsequently submit the list of additional property acquired as well as disposed property.

4.1.3 The agency shall submit an updated inventory based on replacement cost every two years. Otherwise, the basis of cost shall be the most recent inventory submitted.

4.2 On Claims Settlement

A request for restoration/indemnification of damage/loss of property shall be submitted to the PRF, GBIS by the agency using the attached Notice of Claim form (Annex B), signed and sworn to by the head of the agency not later than 90 days after the damage/loss. Thereafter, no claims shall be entertained. The request shall reflect the following:

4.2.1 Name and description of Property

4.2.2 Location of Property

4.2.3 Time and Cause of the Loss/Damage

4.2.4 Amount of Loss/Damage

4.2.5 Description of Loss/Damage

4.2.6 Supporting Papers

a. Proof of ownership of lost/damaged property;

b. For Building - Report of Loss/Damage prepared by the District/City Engineer of the Department of Public Works and Highways with the concurrence of the Building Administrator or Head of Agency; and

c. Police Report

4.3 The request shall be submitted to the Office of the Property Replacement Fund located at OSIS Building, Legaspi St., Legaspi Village, Makati, copy furnished the Systems and Procedures Bureau (SPB), DBM.

4.4 The Property Replacement Fund shall indemnify government agencies for loss of or damage to property incurred due to perils as defined under 3.3, adjusted in accordance with generally accepted insurance and adjustment principles and procedures.

4.5 Release of funds shall be made directly to the requesting agency.

5.0 Effectivity

This Joint Circular shall take effect immediately.

(SGD.) FELICIANO BELMONTE, JR.
President-General Manager
Government Service Insurance System

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

A true copy

PROPERTY REPLACEMENT FUND

NOTICE OF CLAIM

Date: _____

The Manager
Property Replacement Fund Department
GSIS Building
Legaspi Building
Legaspi Street, Makati
Metro Manila

Sir:

This is to inform you that we are claiming for the loss/damage to our property described hereunder:

- Office: _____
- Property (Name and Description): _____
- Location of Property: _____
- Time and Cause of Loss/Damage: _____
- Amount of Loss/Damage: _____
- Description of Loss/Damage: _____

- Supporting Documents:
 - Proof of Ownership of Lost/Damaged Property []
 - For Buildings - Report of Loss/Damage []
 - Others (Specify): _____ []

Submitted by:

Printed Name & Signature

Designation

