

Republic of the Philippines
DEPARTMENT OF EDUCATION, CULTURE AND SPORTS
UL Complex, Pasig, Metro Manila


April 20, 1995

DECS O R D E R
No. 22, s. 1995

EDUCATIONAL SERVICE CONTRACTING AND TUITION FEE
SUPPLEMENT AT THE SECONDARY LEVEL SY 1995-96

To: Bureau Directors
Regional Directors
Schools Superintendents
Heads of Private Schools, Colleges and Universities

1. The State Assistance Council (SAC) in its last meeting held on March 7, 1995, agreed on certain revisions on some provisions of DECS Order No. 51, s. 1994, entitled "Educational Service Contracting and Tuition Fee Supplement at the Secondary Level SY 1994-95".
2. Inclosed is a set of policies/guidelines to be followed in the implementation of Educational Service Contracting and Tuition Fee Supplement (ESC/TFS) which includes the revisions agreed upon such as the amount of tuition fee ceiling for TFS and the amount to be given each ESC grantee. The prescribed ESC/TFS forms included as Inclosure No. 2 to DECS Order No. 51, s. 1994 shall remain in use until otherwise revised.
3. All previous DECS rules, regulations and other issuances or parts thereof, which are inconsistent with this Order are hereby repealed or modified accordingly.
4. Immediate dissemination of this Order is desired.


RICARDO T. GLORIA
Secretary

Incl.:
As stated

Reference:
DECS Order: (No. 51, s. 1994)

Allotment: 1-2-4--(M.O. 1-87)

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

AMENDMENT
FEES
RULES & REGULATIONS

SCHOOLS
STUDENTS
UNIVERSITIES & COLLEGES

(Inclosure to DECS Order No. 22, s. 1995)

IMPLEMENTING GUIDELINES FOR ESC AND TFS FOR SY 1994-95

1. R.A. No. 6728 entitled "An Act Providing Assistance to Students and Teachers in Private Education, and Appropriating Funds Therefore," stipulates that it is the declared policy of the State, in conformity with the mandate of the Constitution, to promote and make quality education accessible to all Filipino citizens. The State also hereby recognizes the complementary roles of public and private schools in the educational system and the invaluable contribution they make to education.

2. The Educational Service Contracting (ESC) Scheme which has been managed and administered by the Fund for Assistance to Private Education (FAPE) since SY 1986-87 is now directly administered by the Bureau of Secondary Education (BSE), Department of Education, Culture and Sports (DECS) through the DECSROs effective SY 1991-92.

3. The Tuition Fee Supplement for high school students is administered by BSE and will continue to be under the administration and supervision of that Bureau through DECSROs.

Features of the Program

4. Pursuant to DECS Order No. 67, s. 1992, in Educational Service Contracting (ESC), the government and a private school may enter into a contract for the purpose of accommodating overflow students in said private school. The government pays the tuition and other school fees of the overflow students (those who can not be accommodated in public schools because of lack of teachers, space or facilities, or similar reasons). The scheme may also be applicable in communities where only a private school is available to deliver educational service; however, this shall be subject to the school meeting the requirements, the approval of the Regional Director, and the availability of funds.

5. As agreed upon in the State Assistance Council (SAC) meeting held on March 7, 1995 ESC payment per student grantee shall be at the rate prescribed by the school for other students but not to exceed ₱1,700.00.

6. The Tuition Fee Supplement (TFS), is a subsidy given by the government in the amount of two hundred ninety pesos (₱290.00) per student enrolled in a qualified private secondary school. This private school must have charged tuition and other school fees in the amount less than ₱2,500.00 including subsidy for SY 1994-95.

7. These guidelines on the management and implementation of the two assistance programs for high school students (ESC and TFS) are hereby promulgated for school year 1995-96 and shall be enforceable and in effect until otherwise changed, modified or repealed.

7.1 Project Management

7.1.1 **State Assistance Council (SAC)** shall be responsible for policy, guidance and direction, monitoring, evaluation and the promulgation of rules and regulations of GASTPE programs (ESC and TFS).

7.1.2 **BSE-GASTPE UNIT** is composed of: (1) the Chairman, BSE Director IV; (2) the Vice-Chairman, BSE Director III; (3) GASTPE Coordinator, Chief Staff Development Division; (4) ESC Coordinator and Members; and (5) TFS Coordinator and Members.

The Unit: (1) supervises, monitors and oversees the implementation of ESC and TFS programs in all participating private schools; (2) sends written communications to Regional Project Committees (RPCs) on DECS guidelines and policies through channels; (3) collects, collates and interprets pertinent data on ESC/TFS from the RPCs and makes periodic reports whenever needed; and (4) evaluates the ESC/TFS program implementation.

7.1.3 **Regional Project Committee (RPC)**, is composed of (1) the Chairman, Regional Director IV; (2) the Vice-Chairman, Regional Director III; (3) GASTPE Coordinator (Secondary Level), Chief, Secondary Education Division (SED); (4) Assistant Coordinator, the Asst. Chief, SED; (5) the Head of the Private Schools Association; (6) NEDA Representative; (7) DILG Representative; and (8) PSAS (Private Schools Area Supervisor).

The Unit: (1) sets up Division Coordinating Committees (DCC) to handle ESC/TFS/ at the Division level; (2) identifies sites where excess enrollment is registered; (3) supervises, monitors and oversees the implementation of ESC/TFS programs in the regional level; (4) provides BSE-GASTPE Implementing Unit with needed ESC/TFS data/reports, (5) disseminates relevant information on ESC/TFS implementing rules; (6) resolves issues/problems on ESC/TFS programs in the regions; and (7) disburses ESC/TFS/ funds to participating schools/beneficiaries and submits duly certified periodic updates to the BSE-GASTPE Implementing Unit using the prescribed ESC/TFS Forms.

7.1.4 **Division Coordinating Committee (DCC)** is composed of the Chairman, the Schools Division Superintendent; (2) the Vice-Chairman, the Assistant Schools Superintendent for Secondary Level; (3) the Private Schools Area Supervisor (PSAS); (3) the Principal of a Public High School; (4) the Principal of a Private High School; (5) a Civic Sector Representative; and (6) a Municipal Development Office Representative.

The Unit: (1) identifies overflow students according to guidelines set; (2) checks, reviews and processes ESC/TFS required documents presented by participating private schools; (3) monitors and confirms enrollment data; (4) prepares and submits needed statistical data on ESC/TFS programs to RPC; and (5) endorses to RPC a duly certified TFS list of participating schools indicating the number of beneficiaries (after deducting the total number of ESC grantees from the total enrollment) and the amount claimed (number of beneficiaries multiplied by ₱290), and an ESC list of participating schools indicating the number of grantees by year level and the total amount claimed (actual tuition and other fees charged). These lists should be duly certified by the Division Finance Officer and the Schools Division Superintendent.

7.2 Procedural Management

7.2.1 EDUCATIONAL SERVICE CONTRACTING (ESC) SCHEME

(a) **Selection of Schools.** Any duly recognized private high school in the student's area of residence may participate in ESC. A school may be excluded from the ESC program when it does not comply with ESC guidelines, has a high dropout rate, has congested classrooms and inadequate support facilities. When a school is excluded from further participation in ESC, the RPC shall make a report to the BSE-GASTPE Unit.

(b) **Selection of ESC Grantees/Enrollment Procedure.** The public high school principal implements early enrollment schedule on a first-come-first-served basis and numbers the names in the list consecutively until the limit of 56 per class is reached. Students enrolled after the school quota of 56 per class is reached, are considered excess or overflow.

The public high school principal issues an individual Certification of Excess Enrollment to each overflow student advising him/her to enroll in a duly recognized private school of his/her choice in the area of his/her Region/Division under the condition that the government shall pay tuition and other fees actually charged by the school up to a maximum of ₱1,700.00.

The overflow student presents Certification of Excess Enrollment from the public high school principal, his elementary report card and parent's latest income tax return or Certification of Family Income, to the private high school principal participating in the ESC program and undergoes the normal enrollment procedure. Among ESC grantees, preference is given to overflow students whose family income (Latest figure (1991): ₱ 43,274 per annum) falls below the poverty line as defined by NEDA.

In a municipality where there is no public school and the only educational service available is in a private school, ESC may be undertaken subject to availability of funds. However, priority will be given to students who are residents of the community and come from families whose income falls below the poverty line.

After the enrollment of excess/overflow students, the private high school principal prepares a Certification of Enrollment together with the tuition fee schedule per year level and submits them to the Schools Division Superintendent, Chairman of DCC.

After checking and reviewing the list of ESC grantees, the Schools Division Superintendent endorses it to the GASTPE Regional Coordinator who, in turn, prepares the summary list of ESC grantees including the tuition fee schedule per school participating in the program.

The Regional Coordinator submits such list to the BSE-GASTPE Unit at the 3rd Floor, Bonifacio Building, University of Life Complex, Pasig City, for budget allocation.

Replacement of dropout ESC grantees is not allowed. ESC grantees who drop out shall no longer be eligible for any GASTPE grant.

(c) Conditions and Limitations of Student Participation

Once the student is enrolled as an ESC grantee in a participating private school, he shall be considered a bonafide student of said school and shall be subject to the rules and regulations of that school.

ESC grantees must pass the minimum requirements that will qualify them for promotion to the next year level under DECS rules, otherwise their privileges of free education under ESC shall terminate.

In the event that the tuition and other school fees of a private school exceed the set ceiling, it may collect the balance from an ESC grantee provided that the student is notified of said arrangement and the consent of his parents is obtained. Initial processing of papers for payments to be made to participating schools will be done by the DCC.

Payments are processed at the DECSROs which issue checks directly to the participating schools.

In schools where an ESC grantee drops out or transfers within the year, the government through DECS shall pay to the school:

(1) 10% of the subsidy if an ESC grantee drops out or transfers within the first week after the start of classes;

(2) 20% of the subsidy if an ESC grantee drops out or transfers after the first week or within the second week after the start of classes, regardless of whether or not the student has actually attended classes (Section 66, entitled: Tuition Charges of the Manual of Regulations for Private Schools, 8th Edition, 1992).

(3) 50% of the subsidy if an ESC grantee drops out or transfers after the second week or within the third week after the start of classes.

(4) 100% of the subsidy if an ESC grantee drops out or transfers anytime after the 4th week of the start of classes.

The Directors/Administrators of the ESC participating schools shall refund to the regional offices, through channels, payments for grantees who drop out or transfer. The regional offices shall remit to the DECS Accounting Office, Rizal II Bldg., University of Life Complex, Pasig City, all refunded amounts as well as balances at the end of the school year.

The ESC participating schools should furnish the Bureau of Secondary Education, through the DECS regional Office the official dropout or transfer form of students duly certified and under oath.

7.2.2 TUITION FEE SUPPLEMENT (TFS)

(a) Procedure. Private high schools which charged tuition and other fees less than ₱2,500.00 including subsidy in SY 1994-95, shall register with the DCC on or before July 25, 1995 and every year thereafter, using TFS Form 1 (Tuition and other Fees Supplement Voucher) to be prepared in quadruplicate: one copy for the Division, one copy for the RPC, one for the school and one for public posting in school premises. The data in Form I shall be the basis for payment of TFS claims.

The Chairman, DCC prepares and submits to the RPC a report on tuition fee supplement claims for SY 1994-95, using TFS Form 2, not later than August 20, 1995. The data in Form 2 will be the basis for budgetary allocation.

GASTPE Regional Coordinator (GRC) prepares the consolidated report also using TFS Form 2 and submits it to the BSE-GASTPE Unit not later than August 30, 1995.

Vouchers are processed at the DECSROs which issue checks directly to the schools corresponding to the aggregate amount indicated in the vouchers.

After the payment of participating schools, GRC submits the following:

periodic disbursement update using TFS Form 3

year-end report using TFS Form 4, a final report using TFS Form 5 before the end of the school year addressed to:

The GASTPE Unit
Bureau of Secondary Education
3rd Floor, Bonifacio Bldg.
University of Life Complex
Pasig City

In case there are balances to be paid, a duly certified financial statement by the Regional Finance Officer indicating the school and the exact amount due shall be submitted to BSE to serve as basis for additional allotment.

(b) Limitation of Student Participation. An awardee is disqualified from TFS benefits if (a) he fails in majority of the academic subjects he enrolled in for one school year, unless such failure is due to some valid cause beyond his control; and (b) he transfers residence outside the region.

(c) Allocation of Proceeds. Pursuant to No. 2 of Section 5, RA 6728: "Assistance under paragraph (1), sub-paragraphs (a) shall be granted and tuition fees under sub-paragraph (b) may be increased, on the condition that seventy percent (70%) of the amount subsidized allotted for tuition fee or of the tuition fee increases shall go to the payment of salaries, wages, allowances and other benefits of teaching and non-teaching personnel except administrators who are principal stockholders of the school, and may be used to cover increases as provided for in the collective bargaining agreements existing or in force at the time when this Act is approved and made effective: Provided, that government subsidies are not used directly for salaries of teachers of non-secular subjects. At least twenty percent (20%) shall go to the improvement or modernization of buildings, equipment, libraries, laboratories, gymnasias and similar facilities and to the payment of other costs of operation. For this purpose, schools shall maintain a separate record of accounts for all assistance received from the government, any tuition fee increase, and the detailed disposition and use thereof, which record shall be made available for periodic inspection may be determined by the State Assistance Council, during business hours, by the faculty, the non-teaching personnel, students of the school concerned, the Department of Education, Culture and Sports and other concerned government agencies."

A certification on the above allocation of proceeds shall be attached to the final report on GASTPE at the end of the school year.

(d) Penalties. In case of any violation of these guidelines and the provisions of R.A. 6728, the DECS, upon recommendation of SAC, may bar the institution from participating in or benefiting from GASTPE programs and in other programs of the Department, without prejudice to administrative and criminal charges which may be filed against the school and/or its responsible officers under existing laws.

Any school who shall refuse to furnish copies of their audited financial statements to concerned sectors with whom they are having consultation prior to tuition fee increases, shall forfeit the right to increase their tuition fees, in addition to other penalties or sanctions as may be imposed under the preceding paragraph or by existing laws.