

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


May 5, 1995

DECS O R D E R
No. 23, s. 1995

RULES AND REGULATIONS FOR THE IMPLEMENTATION
OF REPUBLIC ACT NO. 7880

To: Bureau Directors
Regional Directors
Schools Superintendents

1. With the passage of R.A. No. 7880, otherwise known as the Fair and Equitable Allocation of the DECS' Budget for Capital Outlay, copy inclosed, the Department of Education, Culture and Sports formulated and approved the Rules and Regulations for the Effective Implementation of said Act.
2. The allocation of DECS' budget for capital outlay shall be apportioned equitably, taking into account the number of school children in all the legislative districts and the number of usable classrooms except the 10% to be allocated in accordance with the implementation of the policy as may be determined by DECS (Annex A).
3. To ensure the effective analysis of classroom shortage, computation is done per school and per grade/year level (Annex B) using the enrolment data of the school preceding the budget year and the pupil/student-classroom ratio of 45.
4. This Order shall become effective starting with CY 1996 budget of DECS.
5. It is desired that this Order be given immediate and wide dissemination for the strict compliance of all concerned.


RICARDO T. GLORIA
Secretary

Incls.:

As stated

Reference:

N o n e

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

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

LEGISLATION
PUPILS
RULES & REGULATIONS

SCHOOLS
STUDENTS

**RULES AND REGULATIONS FOR THE
EFFECTIVE IMPLEMENTATION OF R.A. NO. 7880
"FAIR AND EQUITABLE ALLOCATION OF THE
DECS' BUDGET FOR CAPITAL OUTLAY"**

Pursuant to Section 6 of Republic Act No. 7880, otherwise known as "Fair and Equitable Allocation of the DECS' Budget for Capital Outlay", the following Rules and Regulations are hereby promulgated for the proper and effective implementation of the Act.

Rule I - Statement of Policy

It is the declared policy of the State to uphold the primacy of education, to foster patriotism and nationalism, accelerate social progress and promote total human liberation and development.

Rule II - Objectives

The objectives of the Fair and Equitable Access to Education Act are:

1. The State shall provide for the development of its citizenry as represented by all legislative districts by ensuring them fair and equitable access to the infrastructure and tools necessary for quality education.
2. The State shall provide all legislative districts a minimum and continuing level of educational development by establishing an objective mechanism that would make equitable the allocation of the Department of Education, Culture and Sports' (DECS') budget for capital outlay.

Rule III - Definition of Terms

As used in these Rules, the following terms shall mean:

- a. **Capital Outlay** - refers to appropriations for the purchase of goods and services particularly those pertaining to the budget of DECS for elementary and secondary education for (1) the acquisition and improvement of sites; (2) the construction, replacement, rehabilitation and repair of buildings, classrooms, libraries, workshops, toilets and other structures; and (3) furnitures, fixtures, and equipment such as, but not limited to desks, chairs, laboratory and workshop implements, computers, books, and other basic and essential tools for learning, the costs of which shall not be lower than the minimum amount prescribed by COA whose serviceable life is more than one year and which add to the assets of the government.

- b. **Classroom Shortage** - refers to the number of classrooms needed by a school over and above its existing number of classrooms which shall mean those exclusively used for instructional purposes and shall exclude offices, libraries, laboratories, workshops and others.

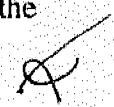
It is determined on the basis of a school-by-school and grade/year level-by-grade/year level analysis using the enrolment data of the school year immediately preceding the budget year and the pupil/student-classroom ratio of 45. The enrolment of a school is divided by 45 to obtain the number of classrooms. In the case of small schools where the enrolment in one or more grade levels is less than 15, multigrade classes may be organized having two or more grade levels but shall not exceed 40 pupils. (Using these standards, the average class size in SY 1993-94 was between 30-40 students per class). The total classroom requirement is equal to the number of classrooms having a regular class size of 45 and the number of organized multigrade classes. Classroom shortage results when the total requirement is greater than the existing number of classrooms; otherwise, excess classrooms occur. (Refer to Annexes A and B for an illustration of the computation of the classroom shortage of a congressional district.)

- c. **Total Student Population** - refers to the total number of school-age population, with 6-12 years old and 13-16 years old as the relevant age groups for elementary and secondary education, respectively.

The national population projections by province approved by the National Statistical Coordination Board (NSCB) shall be utilized in determining the school age population. Given annually and by age group of 5 year intervals starting with 0 to 4 years, the population projections by age group will be disaggregated into single age using the Sprague Multipliers to explicitly determine the relevant age groups for elementary and secondary levels. (Refer to Annex D for the operational definition of the Sprague Multipliers.)

Rule IV - General Provisions

Notwithstanding any provision of the law to the contrary, the annual DECS' budget for capital outlay, as defined by Rule III shall be allocated among the legislative districts in the following manner:

- a. On the first year of the effectivity of this Act:
- (1) thirty percent (30%) of the total capital outlay to be allocated pro-rata according to each legislative district's student population in relation to the total student population of the country;
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- (2) sixty percent (60%) of the total capital outlay to be allocated only among those legislative districts with classroom shortages as defined in Rule III, pro-rata to the total classroom shortage of the country pursuant to Rule III as determined by the DECS; and
- (3) ten percent (10%) to be allocated in accordance with the implementation of the policy of this Act as may be determined by DECS.

(See Annex C)

b. On the second year and every year thereafter:

- (1) fifty percent (50%) of the total capital outlay to be allocated pro-rata according to each legislative district's student-population in relation to the total student population of the country;
- (2) forty percent (40%) of the total capital outlay allocated only among those legislative districts with classroom shortages, as defined in Rule III, pro-rata to the total classroom shortage of the country pursuant to Rule III, as determined by the DECS; and
- (3) ten percent (10%) to be allocated in accordance with the implementation of the policy of this Act as may be determined by the DECS.

Rule V - Application of Allocation Criteria

Pursuant to the definition of capital outlay in Rule III, the allocation criteria shall be applied to appropriations for capital outlays in the DECS budget which are intended for nationwide distribution, such as, but not limited to DECS Schoolbuilding Program, textbooks, equipment, and desks. Accordingly, such appropriations shall be reflected in the DECS budget as nationwide lumpsums whose allocation by legislative district shall be determined using the criteria mandated in this Act and which shall be the basis for budget releases.

The allocation criteria mandated in this Act shall not apply to capital outlays appropriations which are built into the budgets of special schools, offices or projects of DECS as well as projects initiated by Congress.

Special schools are schools that cater to students who are gifted or talented and those who have physical, mental, social or sensory impairment and cultural differences so as to require modification of the school curricula, programs and special services and physical facilities to develop them to their maximum capacity.

Special schools also refer to schools which perform regional/provincial functions such as regional/provincial science high schools , regional/provincial elementary/secondary leader schools whose target clientele is not necessarily confined to the population of the province/municipality where it is located.

Rule VI - Use of Allocation

1. DECS shall determine the educational priorities of each legislative district in consultation with the representative of the legislative district provided that the primary objective in the use of allocation is to eliminate classroom shortage, if any. Provided further:

- (a) that any amount allocated in accordance with subparagraph (1) of paragraphs (a) and (b) in Rule IV shall be used only for the acquisition or improvement of school sites, construction, repair/rehabilitation, replacement of schoolbuildings and classrooms and the purchase of material or equipment that directly aid in education; and
- (b) that the amount appropriated in accordance with subparagraph (2) of paragraphs (a) and (b) shall be used for the construction of new schoolbuildings. Should there be an excess of the amount herein appropriated vis-a-vis the need, the excess shall be integrated with subparagraph (1) of paragraphs (a) and (b) of the same Rule excluding capital outlays of division offices, regional and central offices.

2. To fulfill the primary objective in the use of any allocation of eliminating classroom shortages, identification of projects pursuant to the preceding section shall be guided primarily by a determination of classroom needs in existing and proposed schools. Highest priority shall be given to schools with classroom shortages and new schools proposed for establishment.

Realignment/relocation of projects funded from the capital outlay of DECS may be done in cases of imbalanced allocation of projects within the district, duplication of project, overlapping of funding source situations where project implementation is not technically feasible and similar cases: Provided, that such request for realignment/relocation shall be made forty-five (45) days after the receipt of the original Advice of Allotment by the Department except in cases of duplication of projects and overlapping of funding source: Provided, further, that such realignment/relocation is within the congressional district for which the funds were originally allocated: Provided, furthermore, that the realignment shall be for projects within the same category and shall not exceed the total amount originally allocated for the congressional district: and provided, finally, that, with the exception of the Countrywide Development Fund (CDF) the realignment/relocation shall be made upon the initiative and consent of the representative of the district concerned and with the concurrence of any one of the following: The Schools Division Superintendent, the Regional Director or Secretary of the DECS, regardless of the cost of the project being realigned or relocated.

Rule VII - Certification

Any person charged in the implementation of this Act shall certify under oath to be attached in the payroll of salary voucher under which his salary is paid that the provision of this Act on the allocation of appropriation for the year as provided under Section 4 of the Act has been fully complied with.

Rule VIII - Guidelines for the Release of Capital Outlay

1. The appropriation herein provided for the construction, rehabilitation, replacement and repair of schoolbuildings shall be directly released to and administered by the DPWH.
2. Fifty percent (50%) of the total appropriation for CO shall be released automatically on the 1st quarter of the calendar year including its corresponding notice of cash allocation.

Rule IX - Penal Clause

Any public official or employee or private individual who willfully or knowingly misappropriates the funds allocated herein or uses the same for personal gain in violation of Section 5 of this Act shall be punished with perpetual disqualification from public office and imprisonment for not less than six (6) years but not more than fifteen (15) years.

Rule X - Effectivity

These Rules shall take effect starting with the CY 1996 budget of DECS.

March 31, 1995

Recommending Approval:



ANTONIO EDUARDO B. NACHURA
Undersecretary

APPROVED:



RICARDO T. GLORIA
Secretary

On the first year of the effectivity of this Act

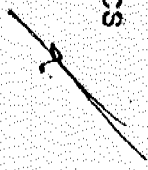
ANNEX A

1.
$$\left[\begin{array}{l} \text{School-Age Population (6-16 yrs. old) of Congrl. District n} \\ \text{Total School-Age Population of 6-16 yrs. old} \end{array} \right] \times \left[\begin{array}{l} \\ \\ \end{array} \right] = \text{Share of Congrl. District n to 30\%}$$

2.
$$\left[\begin{array}{l} \text{Classroom Shortage of Congrl. District n} \\ \text{Total Classroom Shortage} \end{array} \right] \times \left[\begin{array}{l} \\ \\ \end{array} \right] = \text{Share of Congrl. District n to 60\%}$$

Total Share of Congrl. District n

3.
$$\left[\begin{array}{l} \\ \\ \end{array} \right] \times 10\% = \text{to be determined by DECS}$$



ANNEX B

Computation of Classroom Shortages

Computation is done per school and per grade/year level.

(1) To get the number of classes:

No. of normal classes = $\frac{\text{Enrollment}}{\text{Class Size}}$, However, if enrollment of a grade level is less than 15, a multigrade class is established.

(2) Add the number of normal classes and the number of multigrade classes to get the total number of classes.

(3) Subtract the total number of classes from the total number of available classrooms. There is a shortage of classroom if the total number of classes is bigger than the total number of available classrooms, otherwise, there is excess.

X

a. On the first year of the effectivity of this Act

Given: Example Data of Congr'l. District #

School - Age Population (6-16 yrs. old)
School - Age Population (6-16 yrs. old) (National)
Total Capital Outlay for the year
Classroom Shortage
Classroom Shortage (National)

56,582
16,111,413
P5,000,000.00
19
20,842

3. Total Capital Outlay x 10%

}}

= to be determined by DECS

P5,000,000.00 x 10%

}}

= to be determined by DECS

P500,000.00

}}

= to be determined by DECS



Annex D

SPRAGUE MULTIPLIERS

The NSO data on population by age is often classified in terms of five-year age-groups such as 0-4, 5-9, 10-14, 15-19, 20-24, etc. which do not exactly correspond to the official elementary and secondary school ages of 7-12 yrs. and 13-16 yrs. nor can the size of the school-entrance-age population be easily derived from the 5-9 age-group population. In order to obtain the population by single age, the "interpolation" method is used.

The fifth-difference equation developed by Sprague is a process which is commonly employed to interpolate single year population data from five-year age-group population data. The equation is expressed in terms of leading differences. The actual application of the equation can be expressed in linear compound form, i.e., in the process of interpolation, a set of coefficients (or multipliers) of an equation is applied to a given set of data. An interpolated value is thus obtained from accumulating the products of the given data and the corresponding coefficients.

To illustrate this approach with an example, supposing that the following set of five-year age-group data is available:

Age group (years)	Population
0 - 4	3,450
5 - 9	3,603
10 - 14	4,250
15 - 19	4,532
20 - 24	4,200

The Sprague Multipliers as shown on the right side of Figure 1 can be applied to subdivide the age-group data to derive single-year population. It can be seen that three groups of the multipliers are included in this application, namely the first, second and intermediate tables.

Taking the case of the 8 years old, age 8 is the "fourth-fifth" of the age group 5-9 and the age group 5-9 correspond to the second table of multipliers. The multipliers to be used for interpolation are therefore those on the fourth row of the second table, as follows:

F(-1)	F(0)	F(+1)	F(+2)
Second table			
F(d)	-.0160+.1840	+.0400	-.0080

The interpolated 8-year old data can be obtained by calculating the results of a linear equation summing up the products of different age-group data with the corresponding multiplier as shown below:

$$-.0160(3450) + .1840(3603) + .0400(4250) - .0080(4532) = 741$$

where the 5-9 age-group data correspond to the multiplier under F(0), the 0-4 age-group data to F(-1), 10-14 to F(+1), and 15-19 to F(+2).

Following the same calculation routine, the other single-age population data can be interpolated by using the appropriate Sprague multipliers.

After the different single-year data have been obtained, school-age population for different age groups such as 5-10, 6-20, 6-11, 6-12, 7-12, and 7-13 can be derived.

Data Requirement:

Population in the following age groups:

- 0 - 4 years of age
- 5 - 9 years of age
- 10 - 14 years of age
- 15 - 19 years of age
- 20 - 24 years of age

**Figure 1. The Sprague Multiplier Worksheet
Population by age using Sprague Multiplier**

Age - group	Population		F(-2)	F(-1)	F(0)	F(+1)	F(+2)	F(+3)
		First table						
0 - 4	3,450							
5 - 9	3,603	F(a)			0.3616	- 0.2768	0.1488	- 0.0336
10-14	4,250	F(b)			0.2640	- 0.0960	0.0400	- 0.0080
15-19	4,532	F(c)			0.1840	0.0400	- 0.0320	0.0080
20-24	4,200	F(d)			0.1200	0.1360	- 0.0720	0.0160
Age	Est. pop.	F(e)			0.0704	0.1968	- 0.0848	0.0176
		Second table						
0	730							
1	699							
2	679	F(a)		0.0336	0.2272	- 0.0752	0.0144	
3	671	F(b)		0.0080	0.2320	- 0.0480	0.0080	
4	671	F(c)		- 0.0080	0.2160	- 0.0080	0.0000	
5	680	F(d)		- 0.0160	0.1840	0.0400	- 0.0080	
6	696	F(e)		- 0.0176	0.1408	0.0912	- 0.0144	
7	717							
8	741	Intermediate						
9	769							
10	799	F(a)	- 0.0128	0.0848	0.1504	- 0.0240	0.0016	
11	830	F(b)	- 0.0016	0.0144	0.2224	- 0.0416	0.0064	
12	857	F(c)	0.0064	- 0.0336	0.2544	- 0.0336	0.0064	
13	876	F(d)	0.0064	- 0.0416	0.2224	0.0144	- 0.0016	
14	889	F(e)	0.0016	- 0.0240	0.1504	0.0848	- 0.0128	

Republic of the Philippines
Congress of the Philippines

Manila

Third Regular Session

Began and held in Metro Manila, on Monday the twenty-fifth
nineteen hundred and ninety-four.

[REPUBLIC ACT No. 7880]

AN ACT PROVIDING FOR THE FAIR AND EQUITABLE
ALLOCATION OF THE DEPARTMENT OF EDUCATION,
CULTURE AND SPORTS BUDGET FOR CAPITAL OUTLAY

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

SECTION 1. Title. - This Act shall be known and cited as the "Fair
and Equitable Access to Education Act."

SEC. 2. Declaration of Policy. - It is hereby declared the policy of
the State to uphold the primacy of education, to foster patriotism and
nationalism, accelerate social progress and promote total human libera-
tion and development. Accordingly, the State shall provide for the
development of its citizenry as represented by all legislative districts by
ensuring them fair and equitable access to the infrastructure and tools
necessary for quality education. Towards this end, the State shall provide

all legislative districts a minimum and continuing level of educational development by establishing an objective mechanism that would make equitable the allocation of the Department of Education, Culture and Sports' (DECS) budget for capital outlay.

SEC. 3. *Definition of Terms* - As used in this Act, the following terms are hereby defined as follows:

- a) *Capital outlay* - refers to the provisions of the General Appropriations Act, particularly those pertaining to the budget of the DECS for elementary and secondary education for (i) the acquisition and improvement of sites; (ii) the construction, replacement, rehabilitation and repair of buildings, classrooms, libraries, workshops, toilets and other structures; and (iii) furniture, fixtures and equipment such as but not limited to, desks, chairs, laboratory and workshop implements, computers, books and the other basic and essential tools for learning whose beneficial use shall exceed one (1) year; and

b) *Classroom shortage* - refers to the number of classrooms whose construction, in considering the number of students divided by the existing number of classrooms, shall result in a student-classroom ratio of 45:1; classrooms shall mean those exclusively used for instructional purposes and shall exclude offices, libraries, laboratories, workshops and the like.

SEC. 4. *Allocation of Appropriation* - Notwithstanding any provision of the law to the contrary, the annual DECS budget for capital outlay, as defined in Section 3(a), shall be allocated among the legislative districts in the following manner:

- a) On the first year of the effectivity of this Act:
 - 1) thirty percent (30%) of the total capital outlay to be allocated pro-rata according to each legislative district's student population in relation to the total student population of the country;

- 2) sixty percent (60%) of the total capital outlay to be allocated only among those legislative districts with classroom shortages as defined in Section 3 (b), pro-rata to the total classroom shortage of the country pursuant to Section 3 (b) as determined by the DECS; and

- 3) ten percent (10%) to be allocated in accordance with the implementation of the policy of this Act as may be determined by the DECS.

) On the second year and every year thereafter.

- 1) fifty percent (50%) of total capital outlay to be allocated pro-rata according to each legislative district's student population in relation to the total student population of the country;

- 2) forty percent (40%) of the total capital outlay allocated only among those legislative districts with classroom shortages, as defined in Section 3(b), pro-rata to the total classroom shortage of the country pursuant to Section 3(b) as determined by the DECS; and

- 3) ten percent (10%) to be allocated in accordance with the implementation of the policy of this Act as may be determined by the DECS.

SEC. 5. *Use of Allocation* - The total amount allocated herein shall be used exclusively for capital outlay pursuant to the educational priorities of the legislative district as determined by the DECS upon prior consultation with the representative of each legislative district. *Provided*, That the primary objective in the use of any allocation shall be to eliminate classroom shortages if any. *Provided, further*, That any amount allocated in accordance with subparagraph (1) of paragraphs (a) and (b) of the preceding section shall be used only for the acquisition or improvement of school sites, construction of school buildings and classrooms and the purchase of material or equipment that directly aid in education. *Provided, furthermore*, That the amount so appropriated in accordance

with subparagraph (c) of paragraphs (a) and (b) of the same section shall be used exclusively for the construction of new schoolbuildings. *Provided finally,* That if the amount so appropriated in subparagraph (2) of paragraphs (a) and (b) should exceed the amount required to meet classroom shortage, the excess shall be migrated with subparagraph (1) of paragraphs (a) and (b) of the same section excluding capital outlays of division offices, regional and central offices.

SEC. 6. Implementing Rules and Regulations. - The DECS upon prior consultation with the Department of Budget and Management shall promulgate the necessary rules and regulations for the immediate and effective implementation of this Act within a period of sixty (60) days after its effectivity. The DECS officials shall submit to the Commission on Finance, Education, Arts and Culture of both Houses of Congress copies of the implementing rules and regulations within thirty (30) days after its promulgation. Any violation of this Section shall render the concerned official liable under Republic Act No. 6713, otherwise known as the "Code of Conduct and Ethical Standards for Public Officials and Employees," and other existing administrative and/or criminal laws.

SEC. 7. Certification. - Any person charged in the implementation of this Act shall certify under oath to be attached in the payroll or salary voucher under which his salary is paid that the provision of this Act on the allocation of appropriation for the year as provided under Section 4 has been fully complied with.

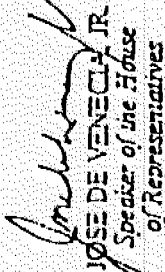
SEC. 8. Penal Clause. - Any public official or employee or private individual who willfully or knowingly misappropriates the funds allocated herein or uses the same for personal gain in violation of Section 5 of this Act shall be punished with perpetual disqualification from public office and imprisonment for not less than six (6) years but not more than fifteen (15) years.

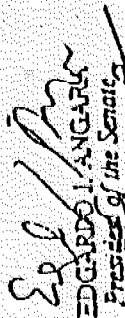
SEC. 9. Release of Capital Outlays. - The appropriation herein provided for the construction, rehabilitation, replacement, completion and repair of schoolbuildings shall be directly released to and administered by the Department of Public Works and Highways based on the work program submitted by the DECS. *Provided,* That fifty percent (50%) of the total appropriation for capital outlay shall be released automatically on the first quarter of the calendar year, including its corresponding source of cash allocation.

SEC. 10. Separability Clause. - If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

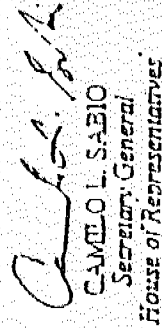
SEC. 11. Repealing Clause. - All laws, decrees, orders, rules and regulations, and all other issuances or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 12. Effectivity. - This Act shall take effect upon its approval.
Approved


JOSE DE VENEZIA JR.
Speaker of the House
of Representatives

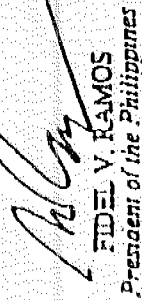

EDGARDO L. ANGARA
President of the Senate

This Act, which is a consolidation of Senate Bill No. 2003 and House Bill No. 13062, was finally passed by the Senate and the House of Representatives on February 7, 1995.


CAMELO L. SABIO
Secretary General
House of Representatives


EDGARDO E. TIMAN
Secretary of the Senate

Approved: FEB 20 1995


FIDEL V. RAMOS
President of the Philippines