

Documents Section

MALACAÑANG
MANILA

LETTER OF INSTRUCTIONS NO. 1462

ENHANCING THE EFFECTIVENESS OF THE SPECIAL
EDUCATION FUND IN IMPROVING
ELEMENTARY EDUCATION

To: The Minister of Education, Culture and Sports
The Minister of Local Government
The Minister of Finance
The Minister of the Budget
The Chairman, Commission on Audit
The Chairman and Members of Local School Boards

WHEREAS, a Special Education Fund to support stated education priorities was established by R.A. No. 5447 approved on September 25, 1968, constituted from an additional tax on real property and other sources;

WHEREAS, Local School Boards were created by the same Act for the purpose of administering the local government share of the Special Education Fund;

WHEREAS, the Special Education Fund Act specifically refers to the implementation of the provisions of the Magna Carta for Public School Teachers (R.A. No. 4670, approved on June 18, 1966);

WHEREAS, compliance with the priority structure established in the Act has not been consistent and the reiteration and updating of the priority system and of the financial arrangements and mechanics will help in the further improvement of the elementary education system;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by Law, do hereby Order and Instruct the strict observance of the provisions of R.A. No. 5447 in reference to the utilization of the Special Education Fund administered by Local School Boards:

1.0 Purposes

1.1 The Special Education Fund shall be used exclusively for the following activities of the public school system:

(a) The organization and operation of such number of extension classes as may be needed to accommodate all children of school age

desiring to enter Grade I, including the creation of positions of classroom teachers, head teachers and principals for such extension classes, which shall not exceed the standard requirements of the Bureau of Elementary Education;

(b) The programming of the construction and repair of elementary school buildings, acquisition of sites, and the construction and repair of workshops and similar buildings and accessories to house laboratory technical and similar equipment and apparatus needed by public schools offering practical arts, home economics and vocational courses, giving priority to elementary schools;

(c) The payment and adjustment of benefits in favor of public school teachers provided under R.A. No. 4670;

(d) The preparation, printing and/or purchase of textbooks, teachers' guides, forms and pamphlets, approved in accordance with existing laws to be used in all public schools;

(e) The purchase and/or improvement, repair and refurbishing of machinery, laboratory, technical and similar equipment and apparatus, including spare parts needed by secondary schools offering vocational courses;

(f) The purchase of teaching materials such as workbooks, atlases, flip charts, science and mathematics teaching aids, and simple laboratory devices for elementary and secondary classes;

(g) The implementation of the existing program for citizenship development in barrio high schools, folk schools and adult education classes; and

(h) The promotion of physical education, such as athletic meets.

1.2 In the allocation of funds from the portion of the Special Education Fund accruing to provinces, cities and municipalities, the Local School Boards shall observe the following order of priority: provinces — activities item (d), (c) and (e) and cities and municipalities — activities item (a), (c) and (d). The other items shall be considered of secondary priority;

1.3 A system of exclusive priority shall be observed whereby the needs of a prior activity shall first be met before appropriation of funds to meet expenditures for the next succeeding priority. This rule shall be followed strictly for the top priority activities identified in no. 1. 2, above;

1.4 Except where authorized by Law, Local School Boards shall not appropriate, local officials shall not authorize and Treasurers shall not pay for

activities outside of those allowed under R.A. No. 5447, such as the following: (a) basic salary to persons other than elementary school teachers, head teachers and elementary school principals, (b) construction and/or repair of buildings other than school buildings, (c) motor vehicles, (d) payment of maintenance and operating expenditures of agencies and offices other than the Local School Board itself, (e) purchase of forms other than those used in the school system, and (f) sponsorship of fairs, contests, exhibits, and other related activities;

2.0 Personal Services

2.1 Extension and other positions created by the Local School Board shall be supported by the Local Board School Board until such time as these can be absorbed by the national government budget;

2.2 The Ministers of the Budget and of Education, Culture and Sports shall jointly develop the standards and mechanism under which positions created by Local School Boards may be absorbed by the national budget;

2.3 New items and extension positions provided for in the national budget shall first be used to absorb extension positions created by Local School Boards, in accordance with such criteria as may be established by the Ministers of the Budget and of Education, Culture and Sports;

2.4 Allowances given to public school teachers out of the Special Education Fund shall not exceed one hundred percent (100%) of basic salary in first class local government units, seventy five percent (75%) in second and third class local government units and fifty percent (50%) in fourth and lower classes of local government units: Provided, That existing rates may continue in the case of local government units which presently exceed these percentage benchmarks;

2.5 In determining entitlement to the allowances and privileges funded by Local School Boards, the definition of teacher shall be that in the Magna Carta for Public School Teachers and shall exclude those who are on detail performing the work of a non-teacher;

2.6 Not more than sixty percent (60%) of the total Local School Board budget may be used for personal services payments except as may be authorized by the Office of Budget and Management upon recommendation of the Ministry of Education, Culture and Sports;

3.0 Textbooks and Teaching Material

3.1 Priority in the purchase of books and teaching material shall be given to textbooks approved by the Textbook Board Secretariat. All text-

books, teaching aids, school forms, workbooks and other teaching material purchased out of the Special Education Fund shall be directly purchased from the Instructional Materials Corporation created by an earlier Executive Order;

3.2 The Instructional Materials Corporation shall be immediately operationalized by the Minister of Education, Culture and Sports with the existing organization and the assets, personnel and facilities of the Textbook Board Secretariat. The staff members of the Textbook Board Secretariat shall be absorbed by the Corporation at no diminution in compensation;

4.0 Financing Arrangements

4.1 The General Fund and Trust Funds of a local government unit may be used to cover temporary deficiencies in the funds of its Local School Board as a loan and under such terms and conditions as may be imposed by the local government unit;

5.0 Procedural Matters

5.1 The Division Superintendent of Schools or the District Supervisor member of the Board as the case may be, shall initiate the budget process, through the preparation and submission of a proposed budget which shall observe the priority structure herein described and which shall be the basis of Local School Board consideration;

5.2 The Commission on Audit and the Office of Budget and Management shall assist in seeing to compliance with the provisions of the Letter within their respective areas of jurisdiction. In particular, the Minister of the Budget shall observe these guidelines in passing upon Local School Board budgets as provided for in pertinent Law and the Commission on Audit shall disallow in audit all expenditures found to be in violation of this Letter.

DONE, in the City of Manila, this thirty-first day of May nineteen hundred and eighty five.

(Sgd.) FERDINAND E. MARCOS
President of the Philippines