

PRESS RELEASE

No fund conversion at DepEd

“There is no fund conversion at the Department of Education,” said DepEd Spokesman and Undersecretary for Legal and Legislative Affairs Alberto Muyot.

The statement came in the heels of reports that fund conversion is not limited to the Armed Forces of the Philippines but to other government agencies such as DepEd.

In 2009, the Department of Budget and Management (DBM) amended the release of personal services (PS) budget by transferring funds to the department based on the actual number of personnel unlike in the past when the budget given is based on the number of plantilla positions.

Personal services funds released by DBM are covered by the monthly lapsing of Notice of Cash Allocation (NCA). “Pag naglapse at di nagamit sa loob ng isang buwan, babalik kaagad ang pondo sa DBM,” said Muyot.

If ever there are excess or unused PS funds, it can only be used for personal services such as teachers’ pay adjustments and payment of year -end bonuses of personnel, all subject to accounting rules. “The P10,000 Christmas bonus given to teachers annually are drawn from this because it is not part of the regular allocation from the General Appropriations Act,” added Muyot.

Excess PS funds cannot be converted or used as Maintenance and Other Operating Expenses (MOOE) or Capital Outlay (CO) funds in compliance with Commission on Audit (COA) rules.

DepEd also cleared its position on the issue that the the department automatically adds the number of teachers it is authorized to hire in a year, without subtracting those who retired, were separated from, or died in service during the same period.

“If a teacher is separated from service, we need to immediately replace them otherwise no one will teach and we will never be able to address teacher shortage. Remember that we have at least a million new entrants to the public school system each school year thus the continuing need for teacher positions,” Muyot explained.

As a matter of policy, DepEd abides by the rules of COA on fund management and disbursements. It added that the current leadership will never tolerate fraudulent transactions and it is willing to work with the House of Representatives or any other party that wants to know how DepEd budget is spent.

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