



Republic of the Philippines  
**Department of Education**

18 JAN 2013

DepEd ORDER  
No. **2**, s. 2013

**REVISED IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT (RA)  
NO. 8525 OTHERWISE KNOWN AS THE ADOPT-A-SCHOOL PROGRAM ACT**

To: Undersecretaries  
Assistant Secretaries  
Bureau Directors  
Directors of Services, Centers and Heads of Units  
Regional Directors  
Schools Division/City Superintendents  
All Others Concerned

1. For the information and guidance of all concerned, enclosed is a copy of the **Revised Implementing Rules and Regulations of Republic Act (RA) No. 8525** entitled *Adopt-a-School Act of 1998*.
2. Pursuant to Part V, Rule No. 2, *these implementing rules and regulations shall take effect thirty (30) days after its publication in a national newspaper of general circulation and submission of a copy to the University of the Philippines (UP) Law Center.*
3. Immediate dissemination of and strict compliance with this Order is directed.

  
**BR. ARMIN A. LUISTRO FSC**  
Secretary

Encl.:  
As stated

Reference:  
DepEd Order: No. 80, s. 1998

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

CHANGE  
LEGISLATION  
POLICY  
PROGRAMS

RULES & REGULATIONS  
SCHOOLS

**Department of Education  
Technical Education in Skills Development Authority  
Commission on Higher Education**

**Revised Joint Implementing Rules and Regulations of  
“Adopt a School Act of 1998”  
(RA No. 8525)**

Pursuant to Sections 8 of the Republic Act No. 8525, otherwise known as the “Adopt a School Act of 1998” enacted on February 14, 1998, the following rules and regulations are hereby adopted to implement the provisions of the said Act:

**PART I. PRELIMINARY PROVISIONS**

**RULE 1. Title** – These rules and regulations shall be known as the Implementing Rules of the Adopt a School Act of 1998 (RA No. 8525) hereinafter referred to as the “Rules”.

**RULE 2. Purpose** – The purpose of these Rules is to ensure the effective and efficient implementation and enforcement of the provisions of Republic Act No. 8525.

**RULE 3. Definition of Terms** – When used in these Rules, the following terms shall be defined as follow:

- a. **Act** refers to Republic Act No. 8525.
- b. **Adopting Private Entity** refers to an individual engaged in trade or business or in the practice of his profession or other business organizations, like a partnership, corporation or cooperative, either resident or non-resident, who/which teams up with the Department of Education (DepED), Commission on Higher Education (CHED), or with the Technical Education in Skills Development Authority (TESDA), towards providing much needed assistance and service to public school.
- c. **Adopt-a-School Program** refers to a mechanism which allows private entities to assist public school in particular aspect of educational program within an agreed period of time.
- d. **Assistance** refers to the help/aid/contribution/donation provided by an adopting entity to a public school. Assistance maybe in the form of cash or in-kind such as, but not limited to infrastructure, physical facilities, real estate property, training and skills development, learning support, reading materials, computer and science laboratories, health and nutrition packages, and assistive learning devices for students with special needs .
- e. **Agreement** refers to the Memorandum of Agreement (MOA) entered into by and between the adopting private entity and the public school specifying the terms and conditions of the adoption, including tasks and responsibilities of the contracting parties.
- f. **Coordinating Council** refers to a body chaired by the Secretary of DepED and co-chaired by the Chairman of the CHED and the Director General of the TESDA and with the Chairperson of the National Anti Poverty Council (NAPC) and a representative from a National Federation of Chambers of Commerce and Industry to be appointed by the President of the Philippines, as members. It shall be tasked to coordinate, monitor and decide on policy matters related to the implementation of the Adopt a School Program.
- g. **Public School** refers to all public or government learning institutions that are administered, regulated, supervised and monitored by DepED, TESDA and CHED, which enter into agreement with adopting entities.

- h. **Secretariat** refers to an office composed of representatives of the three education agencies, namely DepED who will provide overall management and coordination of the Program and focal persons from CHED and TESDA who will coordinate the implementation of the program in their respective agencies.

## **PART II. PROCEDURES FOR PARTICIPATION IN THE ADOPT-A-SCHOOL PROGRAM**

In order to participate in the Adopt a School Program, the following procedures and requirements should be complied with:

**RULE 1. Agreement between the Adopting Private Entity and the School** – A Memorandum of Agreement (MOA) specifying the details of the adoption shall be entered into between the Adopting Private Entity and the head of the school concerned, and thereafter ratified by the concerned Regional Director of CHED, Provincial Director of TESDA and Division Superintendent of DepED.

The Agreement shall be for a minimum of at least two (2) years subject to extension. Provided that said period maybe shortened if the Adopting Private Entity is dissolved prior to the end of such period or unless otherwise terminated due to failure of the Adopting Private Entity to posses qualifications as stated in the Act.

**RULE 2. Qualifications of Adopting Private Entity** – All Adopting Private Entities participating in the Adopt a School Program must posses the following qualifications at any time during the term of the Agreement:

- a. It must have a credible track record.
- b. It must have been in existence for at least one year as shown in by its Articles of Incorporation from SEC or Certificate of Registration at the Cooperative Development Authority (CDA).
- c. It must not have been prosecuted and found guilty of engaging in illegal activities such as money laundering and other similar circumstances.

**RULE 3. Qualifications for Participating Schools.** – Any government school in all levels may participate in the program. Priorities shall be given to schools located in poorest provinces as determined by the National Statistical Coordination Board (NSCB), low income municipalities, and other local government units (LGUs) experiencing severe classroom shortages, insufficient budget or having numerous poor but high performing learners.

**RULE 4. Periodic Review** – A review of the adoption shall be undertaken by the Local School Board (LSB) of the province or city where the school is located, about the implementation of the Adopt a School Program pursuant to guidelines as maybe periodically issued by the Coordinating Council including but not limited to:

- a. Delivery and utilization of proposed project;
- b. Impact of proposed project on the school and the community in terms of social benefits; and
- c. Participation of other stakeholders to support the project.

LSB, Provincial Technical Education and Skills Development Committee (PTESDC) and CHED/ Philippine Association of State Universities and Colleges (PASUC) Regional offices are encouraged to conduct review of the program and submit their recommendations to the Coordinating Council. Further, they may also recommend the termination of the program due to poor performance of parties and other

grounds as maybe issued by the Coordinating Council. The Adopting Private Entity may appeal the assessment of the LSB, PTESDC, and CHED/PASUC to the Coordinating Council whose decisions shall be final and appealable.

### **PART III. TAX INCENTIVES**

**RULE 1.** *Additional Deductions for Expenses Incurred for the Adoption.* – Provisions of existing laws to the contrary notwithstanding, expenses incurred by the Adopting Private Entity (APE) for the “Adopt-A-School Program” shall be allowed an additional deduction from the gross income equivalent to fifty percent (50%) of such expenses.

The tax incentives provided herein as well as valuation of assistance shall be covered by BIR Revenue Regulation No. 10-2003.

**RULE 2.** *Claim for Tax Deduction by Private Resident* – The claim for deduction of the expenses/value of donations/contributions by the APE should be claimed or availed during the taxable year it was incurred. The APE shall file an application for tax deduction bearing the supporting documents favorably endorsed by the Chairperson of the Coordinating Council upon compliance with the procedure undertaken by the Secretariat pursuant to these rules.

The Secretariat shall then endorse it to the Revenue District Officer (RDO) of the Bureau of Internal Revenue (BIR) having jurisdiction over the place of business of the APE, copy furnished the RDO having jurisdiction over the property if the donation or contribution is in the form of real property.

#### **RULE 3.** *Foreign Donations*

The adopting private entity applying for tax/duty free importation of foreign donations shall submit an approved endorsement, MOA and the following documents to the Secretariat for consideration of the Coordinating Council:

1. An application letter for duty/tax free importation;
2. Deed of Undertaking indicating that donated articles shall be used actually and directly for educational purposes;
3. Donated articles shall not be resold or transferred for material consideration.

The Coordinating Council shall then transmit all approved applications for tax/duty free importation of foreign donations to the Department of Finance for their appropriate action.

**RULE 4.** *Additional Incentives* – the adopting company or enterprise, in addition to the incentive provided in the preceding section, shall be entitled to have its name emblazoned beneath the name of the school after words indicating that the school is under the “Adopt-A-School Program.” Moreover, the Adopting Private Entity shall be represented in the local school board of the municipality where the adopted elementary or high school is located.

### **PART IV. PROGRAM ADMINISTRATION**

**RULE 1.** *Coordinating Council* – The Coordinating Council is hereby created to spearhead the implementation of this Act. It shall have the following powers and functions:

- a. Serve as an advisory body on all policy matters pertaining to the program;
- b. Provide policy guidance and direction for the implementation of the provisions of RA 8525;
- c. Formulate policies and guidelines to ensure the proper implementation of the Program; and
- d. Monitor and evaluate the implementation of the Program.

The Council shall have regular meetings once every three (3) months or as the need arises. A member may be represented by another person. In case of the absence of any member of the Coordinating Council, the absent member is required to send an alternate representative who must possess the rank of at least an Undersecretary/Commissioner/ Deputy Director-General or higher. There shall be a designated permanent alternate representative that is named by the agency concerned. If neither the member nor the permanent alternate can be present, the Agency can send another representative through an authorization letter.

**RULE 2. *Secretariat*** – The Secretariat shall be composed of representatives of DepED, TESDA, and CHED. It shall be provided with technical and administrative support from DepED and shall hold office in the premises of DepED. Further, it shall be mandated to provide overall management and coordination of the Program and to perform the following functions:

- a. Implement the policies set by the Coordinating Council;
- b. Coordinate the Program at all levels;
- c. Recommend policies, plans and priorities to the Coordinating Council;
- d. Provide technical assistance and support in critical areas and stages of implementation;
- e. Receive the application for tax incentives, process and review the documents within seven (7) days, forward the application to the proper agency head who shall act thereon within five (5) days from receipt, receive the favorable endorsement of the agency head and immediately transmit the same to the Chairperson of the Coordinating Council for favorable endorsement to the Revenue District Office (RDO) of the Bureau of Internal Revenue (BIR);
- f. Perform other functions as necessary.

Furthermore, DepED as the principal implementing agency shall make provisions to institutionalize the Adopt A School Program, its Secretariat having plantilla items, to effectively carry out the above functions. With an approved fund for its operations as provided under the General Appropriations Act (GAA) of the current fiscal year, the ASP Secretariat shall carry-out its functions through utilization of its annual budget for personnel services, maintenance and other operating services and capital outlay.

CHED and TESDA shall designate focal persons who shall coordinate the implementation of the program in their respective agencies.

**RULE 3. *Benefits, Privileges, and Emoluments of the Council and Secretariat*** – The members of the Coordinating Council and the representatives of the tri-focal agencies to the Secretariat shall not receive compensation in connection with the performance of their functions, provided that they shall be entitled to reimbursements for reasonable expenses related to their performance of activities directly connected with the implementation of the Act.

**PART V. MISCELLANEOUS PROVISIONS**

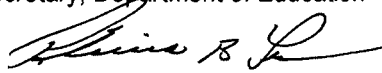
**RULE 1. Separability.** – The provisions of these Rules are hereby declared to be separable. In the event the one or more of its provisions are held to be invalid, the validity of the other provisions shall not be affected thereby.

**RULE 2. Effectivity.** – These Rules shall take effect thirty (30) days after its publication in a national newspaper of general circulation and submission of a copy to the University of the Philippines Law Center.

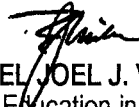
Pasig City, June 2012.



**BR. ARMIN A. LUISTRO FSC**  
Secretary, Department of Education



**DR. PATRICIA B. LICUANAN**  
Chairman, Commission on Higher Education



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Office of the Director-General