

Republika ng Filipinas  
(Republic of the Philippines)  
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS  
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)  
UL Complex, Pasig, Metro Manila

January 30, 1992

DECS O R D E R  
No. 15, s. 1992

GUIDELINES ON THE ALLOCATION OF THE MINIMUM 70% & 20%  
INCREMENTAL PROCEEDS REQUIRED UNDER R.A. 6728

To: Bureau Directors  
Regional Directors  
Schools Superintendents  
Presidents, State Colleges and Universities  
Principals of Private Secondary Schools

1. Declaration of Policy

Section 5-2.c of R.A. 6728 entitled "An Act Providing Assistance to Students and Teachers in Private Education, and Appropriating Funds Therefor," stipulates 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 (CBA) existing or in force at the time when this Act is approved and made effective".

2. To ensure the proper implementation of this mandate, the following guidelines are issued for the distribution of the 70% incremental proceeds as follows:

2.1 The minimum of 70% incremental proceeds shall be added to the salaries/wages/allowances and other wage-related benefits prevailing at the time of effectivity of the tuition increases; and

2.2 The distribution scheme shall be based on an agreement between the school administration and the DOLE-certified and recognized union of teaching and non-teaching personnel. In the absence of an agreement or an employee union, it should be pro-rated based on existing salaries.

3. The following shall be chargeable to the 70%:

3.1 Increases in the basic salaries/wages which shall be attached to the basic rates of personnel (to include unilateral and mandated increases);

- 3.2 Increases in wages and wage-related benefits as provided for in the CBA existing or in force at the time when R.A. 6728 was approved and made effective;
  - 3.3 Increases in allowances such as COLA/ERA/ECOLA; and
  - 3.4 Increases in other wage-related benefits such as sick/vacation leaves and 13th month pay.
4. The distribution of the minimum 70% incremental proceeds shall be made not later than 45 days from the formal approval of the application to increase tuition fees, based on estimated sharing of incremental proceeds. Provided, however, that the sharing shall be subject to recomputation before the end of the school year.
5. A certification of compliance jointly signed by the school administrators and representatives of the union with the above provisions of the 70% incremental proceeds, together with the final accounting, shall be submitted to the DECS regional office within 60 days from the end of the school year.
6. All teaching and non-teaching personnel employed at the time of the effectivity of the tuition increases, whether full time or part time and regardless of the method of compensation, shall be entitled to a share in the incremental proceeds.
7. All administrators who are principal stockholders of the school shall not be entitled to any share in the incremental proceeds.
8. The 20% shall go to the improvement of the following:
- 8.1 modernization of buildings;
  - 8.2 equipment;
  - 8.3 libraries;
  - 8.4 laboratories;
  - 8.5 gymnasia and similar facilities; and
  - 8.6 payment of other costs of operation.
9. Certification of the distribution of the 70% incremental proceeds together with the full compliance of the 20% shall be submitted to the DECS regional office with the application for tuition fee increases for SY 1992-1993.
10. This Order takes effect immediately.

(SGD.) ISIDRO D. CARINO  
Secretary

Reference: DECS Order: No. 16, s. 1992  
Allotment: 1-2-3--(M.O. 1-87)  
To be indicated in the Perpetual Index  
under the following subjects: