

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

January 28, 1994

DECS ORDER  
No. 3, s. 1994

AMENDMENTS TO DECS ORDER NO. 7, S. 1993  
(Additional Guidelines for the Availment  
of the Property Replacement Fund)

To: Bureau Directors, Regional Directors,  
Schools Superintendents  
Heads of Chartered State Colleges and Universities  
Heads of Community Colleges and Universities  
and Vocational Schools

1. This Office has been receiving letters of denial of claims submitted by school heads to the Government Service Insurance System-Property Replacement Fund (GSIS-PRF) Department in view of noncompliance with certain requirements by affected schools to avail of the fund as contained in DECS Order No. 128, s. 1991 and DECS Order No. 7, s. 1993. The Property Replacement Fund was created under the General Appropriations Act for CY 1989 and is sustained in the 1990 budget for the restoration of losses of government property and payment of premiums for insurance against extraordinary losses of certain government property.
2. In order that the affected schools shall be able to maximize the availment of the Fund, the regional and division offices are hereby directed to disseminate the following additional information to the school heads to ensure compliance with the requirements before submitting the notice of claims to the DECS Central Office for endorsement to the GSIS-PRF Department.
3. Inclosed are the supplemental guidelines for the availment of the PRF and the forms on property inventory and notice of claim.
4. For the information and compliance of all concerned.

  
ARMAND V. FABELLA  
Secretary

Incls.: As stated

Reference: DECS Orders: (Nos 128, s. 1991 and 7, s. 1993)

Allotment: 1-2-3-4--(M.O. 1-87)

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

AMENDMENT ✓  
BUILDINGS ✓  
CHANGE ✓  
FUNDS ✓

PAYMENT ✓  
PROPERTY ✓  
SCHOOLS ✓

(Inclosure to DEOS Order No. 3, s. 1994)

SUPPLEMENTAL GUIDELINES FOR THE AVAILMENT  
OF THE PROPERTY REPLACEMENT FUND

A. INVENTORY COVERAGE

1. The Property Replacement Fund (PRF) shall include office buildings, school buildings, facilities and property essential to operations which are stored therein. The facilities shall include furniture, equipment and fixtures (costing at least P1,000.00 as of the inventory date).
2. Restoration for any damage to or loss of property covered by the following perils:
  - a. Fire - except arson as certified by the Fire Department
  - b. Typhoon - tropical depression duly recorded by PAGASA
  - c. Flood - caused by water from outside the site not usually covered by water, extraordinary high tide, bursting or overflowing of rivers, reservoirs, canals and dikes.
  - d. Earthquake fire - fire as a result of the no signal or extraordinary movement of the earth or volcanic eruption duly recorded by PAGASA.

NOT ACCEPTABLE are claims due to volcanic eruption, lahar flows.

B. ON THE SUBMISSION OF PROPERTY INVENTORY FORM

This form is the official form of the PRF. This cancels the form attached to DEOS Order No. 7, s. 1993.

1. All schools including state colleges and universities (SCUs) shall accomplish the attached PRF Inventory Form to reflect all property considered under item A.1. based on replacement cost and shall submit this to PRF, copy furnished the Organization and Productivity Improvement Bureau, Department of Budget and Management (OBM), prior to the occurrence of any damage or loss as defined in No. 2. Property not supported by the said inventory shall not be covered by the PRF.
2. All schools shall submit an updated inventory based on replacement cost every time new acquisitions of property i.e. (SEDP package, JICA packages, etc.) are made. Otherwise, the basis of cost shall be the most recent inventory submitted. The inventory should be accompanied by a Site Development Plan or Location Plan.

3. The PRF Department shall issue a one-time policy called a Certificate of Cover for each site.

#### C. ON THE ACCOMPLISHMENT OF THE PROPERTY INVENTORY FORM

1. No other form is to be entertained by the PRF Department except the attached form to this Order.
2. For Book Value (Column VII), in the case of buildings, the District Engineer's Office may be requested for data on costs for building projects under the Schoolbuilding Program.
3. Replacement Cost (Column VIII) - refers to the estimated prevailing price at which the building damaged or lost would cost if it would be replaced at the time of the submission of the inventory. The assistance of the District Engineer may be very useful in giving this information. The PRF Department reserves the right to reject the claims, if replacement costs reflected in the report are not realistic in applying the insurance principle.

#### D. ON CLAIMS SETTLEMENT

1. A request for restoration of damage/loss of property shall be made to the PRF, OGIS using the attached NOTICE OF CLAIM duly signed and sworn to by the head of school/agency not later than 30 days after the damage/loss. Thereafter, no claims shall be entertained. The request shall reflect all the items indicated in the form, as follows:

- o Office: (Name of School/Institution)
- o Property (Name and Description): 2-storey (16 classrooms) Bagong Lipunan schoolbuilding (Building No. 1)
- o Location of Property: (Exact address of campus)
- o Time and Cause of Damage: Ex- 2 o'clock a.m., fire due to faulty wiring
- o Amount of Loss/Damage: Estimated cost keeping in mind the Inventory submitted to the PRF
- o Description of Loss/Damage: (Extent of damage) (If loss is due to fire, get report from Fire Department; if due to typhoon, support with description as declared by PAGASA)
- o Supporting documents
  - a. Proof of ownership of lost/damaged property: (Proof that property is not rented)

b. For building - Report of Loss/Damage

Note: DECS is exempted from submitting this document, instead, attach pictures of damage/loss

c. Police report (from the Police Department)/Fire report (from the Fire Department)/Typhoon Report (as reported by PAGASA)

2. The request shall be submitted in two (2) sets, through the DECS Central Office, addressed as follows:

a. First Set

The Manager  
Property Replacement Fund Department  
OAS Building  
Legaspi Street, Legaspi Village  
Makati, Metro Manila

b. Second Set

The Director  
Organization and Productivity Improvement Bureau  
Department of Budget and Management  
Malacañang, Manila

3. The PRF shall indemnify the agency for loss of/or damage to property incurred due to perils as defined in A-2, adjusted in accordance with generally accepted insurance and adjustment principles and procedures, upon receipt of the Approved Order of Payment from the Claims Settlement Unit.

4. Release of funds shall be made directly to the head of the agency, in this case, the DECS Central Office, where the schools may claim their replacement funds.

PROPERTY REPLACEMENT FUND DEPARTMENT

PROPERTY INVENTORY FORM

NAME OF OFFICE \_\_\_\_\_

ADDRESS \_\_\_\_\_

ITEM	DESCRIPTION	LOCATION	DATE CONSTRUCTED/ ACQUIRED	PROPERTY NUMBER	CONDITION	BOOK VALUE	REPLACEMENT COST

DATE \_\_\_\_\_

Name and Signature \_\_\_\_\_

## INSTRUCTIONS

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- Column I/ Item = Type/Name of Property
- a) For buildings :  
e.g. Administration Bldg., Main Bldg., Bagong Lipunan Bldg., Annex Bldg., etc.
  - b) For Furniture, Fixtures & Equipment :  
e.g. Typewriter, Computer, Air-conditioner, Calculator
- \* Exclude semi-expendable items valued at less than P1,500.00
- Column II / Description = Technical Description of the Property
- a) For Buildings:  
Make/Structure, No. of Storeys, Floor Area, etc.  
e.g. Concrete, two-storey, with a floor area of 240 sq.m.
  - b) For Furniture, Fixtures and Equipment:  
Brand Name, Model, Make and other features  
e.g. IBM, 25 carriage, electric;  
Epson FX-1050 Printer;  
ADM Monochrome Monitor Model EM-1412
- Column III / Location = a) Exact location of building based on submitted site development plan or location plan.
- b) Location of equipment, machineries & other contents listed / itemized on a per building basis.
- Column IV/Date Constructed or Acquired = Year of Construction or Acquisition
- Column V/Property Number = a) For building - assigned number based on the site development plan
- b) For equipment - the assigned number taken from the RIV or Memo receipt
- Column VI/Condition = Serviceability of the property - Exclude condemned and unserviceable property
- Column VII/Book Value = Original/Acquisition Cost
- \* Applicable to Buildings, Equipment and other Contents
- Column VIII/Replacement Cost= Estimated Cost of construction or acquisition of the property of the same design, layout, size and materials of like kind and quality.
- \* Applicable to Buildings only.

GOVERNMENT SERVICE INSURANCE SYSTEM  
PROPERTY REPLACEMENT FUND

NOTICE OF CLAIM

DATE : \_\_\_\_\_

The Manager  
Property Replacement Fund Dept.  
GSIS Building, 7th Floor  
Legaspi Street, Legaspi Village  
Makati, Metro Manila

Sir :

This is to inform you that we are claiming for the Loss / Damage  
to our property described hereunder :

a) Name of Office : \_\_\_\_\_

b) Location of Property : \_\_\_\_\_

c) Description of Property Involved : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

d) Time : \_\_\_\_\_ e) Date of Loss : \_\_\_\_\_

f) Cause of Loss / Damage : \_\_\_\_\_

g) Amount of Loss / Damage : \_\_\_\_\_

Submitted By : \_\_\_\_\_

\_\_\_\_\_  
Printed Name & Signature

\_\_\_\_\_  
Designation