

**[ DECS ORDER NO. 40, S. 2000, June 13, 2000 ]**

**IMPLEMENTING GUIDELINES FOR EDUCATIONAL SERVICE  
CONTRACTING (ESC) AND TUITION FEE SUPPLEMENT (TFS) FOR  
SY 2000-2001**

1. The State Assistance Council in its last meeting held on February 7, 2000, agreed on certain revisions of some provisions of DECS Order No. 75, s. 1997. These revisions have been incorporated in the implementing guidelines found in the Enclosure.
2. The revised guidelines include, in brief, the following:
  - acceptance of new participating schools shall depend on the availability of funds;
  - dropouts may be replaced for SY 2000-2001 provided that the number of slots for ESC participating schools in SY 1999-2000 is maintained;
  - increase of subsidy for ESC grantees from P1,700 to P2,500;
  - increase of subsidy for TFS grantees from P290 to P500, and raising of tuition fee ceiling for schools participating in the TFS program from P2,500 to P3,500 inclusive of the subsidy for SY 1999-2000;
  - designation of a signing officer in cases where the Regional Directors are not able to sign documents pertaining to the program;
  - holding in escrow a school's entitlements to the program for the current school year and suspension of the school's participation in the program until dispute is settled in cases of dispute over ownership of a participating school;
  - deadline on the submission of application and MOAs to DECS regional offices is due on August 31, 2000; and
  - monitoring of the ESC/TFS programs sponsored by PAFE at least twice a year to determine the efficiency of program implementation.
3. All previous DECS rules and regulations and other issuances or parts thereof, which are inconsistent with this Order are hereby repealed or modified accordingly.

Adopted: 13 June 2000

(SGD.) ANDREW GONZALEZ, FSC  
*Secretary*

## **ESC IMPLEMENTING GUIDELINES FOR SY 2000-2001**

1. **R.A. 8545** (amending R.A. 6728) otherwise known as the "Expanded Government Assistance to Students and Teachers in Private Education, stipulates that it is the declared policy of the State, in conformity with the mandate of the Constitution, to promote and make quality education accessible to all Filipino citizens. The State also hereby recognizes the complementary roles of public and private schools in the educational system especially the latter's invaluable contribution to education.

2. The Education Service Contracting (ESC) scheme which was formerly managed by the Department of Education, Culture and Sports (DECS) through the Bureau of Secondary Education shall be administered by the Fund for Assistance to Private Education (FAPE) this SY 2000-2001.

### **FEATURES OF THE PROGRAM**

3. Pursuant to DECS Order No. 22, s. 1992, in Educational Service Contracting (ESC), the Government and a private school may enter into a contract for the purpose of accommodating student-grantees in the said private school. The government pays the tuition and other school fees of the grantees. The scheme may also be applicable in communities where only a private school is available to deliver education service; however, this shall be subject to the school meeting the prescribed requirements, the approval of the Regional Director and the availability of funds.

4. As agreed upon in the State Assistance Council (SAC) meeting held on March 7, 2000, ESC payment per student grantee shall be at the rate prescribed by the school for other students but not to exceed P2,500.

5. These guidelines on the management and implementation of the Educational Service Contracting (ESC) program for high school students are hereby promulgated for SY 2000-2001 and shall be enforceable and in effect unless otherwise changed, modified or repealed.

#### **5a. Project Management**

1) The State Assistance Council (SAC) shall be responsible for policy, guidance and direction, monitoring, evaluation and the promulgation of rules and regulations of GASTPE programs.

2) Implementation of these policies, rules and regulations as promulgated by the State Assistance Council (SAC) shall be the responsibility of FAPE.

The ESC Unit of FAPE shall (1) supervise, monitor and oversee the implementation of the ESC program in all participating private schools; (2) send written communication to Regional Project

Committees (RPCs) on DECS guidelines and policies, through channels; (3) collect, collate and interpret pertinent data on ESC from the RPCs reports whenever needed; and (4) evaluate the ESC program implementation.

3) The ESC National Executive Committee is composed of the Secretary of Education, as Chair, an Undersecretary for Programs/Projects and Regional Operations, the Director of the Bureau of Secondary Education (DECS) and the President of the Fund for Assistance to Private Education (FAPE) as members.

4) The ESC National Secretariat is composed of the FAPE Director for Externally Funded Programs as Project Director, and Project Staff members designated by the President of FAPE.

5) The Regional Project Committee is composed of the DECS Regional Director as Chair, the Regional Chief of Secondary Education Division and the Regional COCOPEA Representative as co-chairs and a private school representative, as member.

The Unit (1) sets up the Division Project Committee (DPC) which shall handle ESC at the Division level; (2) supervises, monitors and oversees the implementation of ESC program at the regional level; (3) provides FAPE-GASTPE Implementing Unit with needed ESC data/reports; (4) disseminates relevant information on ESC implementing rules; (5) resolves issues/problems on ESC Program in the Region; and (6) submits duly certified periodic updated report to the ESC National Secretariat using the prescribed ESC Forms.

6) The Division Project Committee is composed of the Division Superintendent as Chair, a duly appointed Division ESC Coordinator and a COCOPEA as co-chairs.

The Unit (1) checks, reviews and processes ESC required documents presented by participating private schools; (2) monitors and confirms enrolment data; (3) prepares and submits to the RPC needed statistical data on ESC program; and (4) endorses to the RPC a duly certified list of ESC participating school indicating the number of grantees by year level and the total amount claimed (actual tuition and fees charged). This list

should be duly certified by the Division Finance Office and Schools Division Superintendent.

5.b. Procedural Management

1. Selection of Schools — Any duly recognized private high school in the student's area of residence may participate in ESC. A school may be excluded from the ESC program when it does not comply with the ESC guidelines, has a high dropout rate and has congested classrooms and inadequate support facilities. When a school is excluded from further participation, the RPC shall make a report to the ESC National Secretariat at FAPE.

2. Selection of 1st Year ESC Grantees and Enrolment Procedure — The student applicant enrolls in the ESC participating private school of his/her choice in the area of his/her Region/Division on condition that the government shall pay the annual tuition and other school fees actually charged by the school up to maximum of P2500.

The student applicant presents his/her elementary report card to the private high school participating in the ESC program. He/she undergoes the normal admission procedure. Among ESC grantees, preference is given to applicants whose family income falls below poverty line as defined by NEDA (1997: P72,000 per annum).

3. Memorandum of Agreement — The private high school principal prepares the Memorandum of Agreement (MOA) and its supporting documents for review and processing by the Division Project Committee. The supporting documents to be submitted are as follows: (1) ESC Form 3 or the List of Selected Student Participants (LSSP); (2) Form 4 or List of Continuing Contract Students by Year Level (LCCSYL); (3) ESC Form 5 or Year-End Status Report (Submitted on the 15th of the following month after school closes); and (4) ESC Form 6 or Certification of Tuition Fees and Other Fees Charged, duly signed by the Regional Director.

The School must submit its MOA and complete supporting documents to the Division Project Committee on or before June 30, 2000, and every 30th day of June thereafter.

4. **Conditions and Limitations of Student Participation** — For SY 2000-2001, the DECS is adopting the quota system of allocating new ESC entrants to the existing participating schools which will be determined by

the Regional Director based on the capability of the school in terms of physical facilities, number of teachers, etc.

Drop outs may be replaced for SY 2000-2001 provided that the number of slots for ESC participating schools in SY 1999-2000 is maintained. First year ESC applicants will enroll on a first-come-first-accepted basis upon presentation of their elementary report card to the high school principal.

Once the student is enrolled as an ESC grantee in a participating private school, he/she shall be considered as a bonafide student of said school and shall be subject to its rules and regulations.

ESC grantees must pass the minimum requirements that will qualify them for promotion to the next year level under DECS rules, otherwise, their privileges under ESC shall terminate.

In the event that the tuition and other school fees of a private school exceed the set ceiling of P2500, it may collect the balance from the ESC grantee provided that the student is notified of said arrangement and the consent of his/her parents is obtained.

In a municipality where there is no public school and the only educational service available is in private school, ESC may be extended to all students of said school subject to the availability of funds. However, priority shall be given to students who are residents of the community and who come from families whose income falls below the poverty line as defined by NEDA. For SY 2000-2001, acceptance of new participating schools shall depend on the availability of funds and subject to the approval of the National Executive Committee.

5. **Policy on Drop-outs, Transferees and Refunds.** In schools where an ESC grantee drops out or transfers within the year, the government through FAPE shall pay to the schools:

- a. 10% of the subsidy if the ESC grantee drops out or transfers within the first week after the start of classes;
- b. 20% of the subsidy if the ESC grantee drops out or transfers after the first week or within the second week after the start of classes, regardless of whether or not the student has actually attended classes (Section 66: Tuition Charges of the Manual of Regulations for Private Schools, 8th Edition, 1992);
- c. 50% of the subsidy if the ESC grantee drops out or transfers after the second week or within the third week after the start of classes; and
- d. 100% of subsidy if the ESC grantee drops out or transfers anytime after the third week of the start of classes.

The Directors/Administrators of ESC participating schools shall refund to the ESC National Secretariat at FAPE payments for grantees that drop out or transfer. The ESC participating schools should furnish the ESC National