

Republic of the Philippines
TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY
East-Service Rd. South Superhighway, Taguig, Metro Manila

44th TESDA BOARD MEETING

9 December 2004, Thursday, 1:00 p.m.
7th Floor TESDA Board Room, Office of the Chair
Taguig, Metro Manila

Resolution No. 2004- 23

**ENDORISING TO DBM AND DILG THE REQUEST OF TESDA FOR THE
TVET SECTOR TO HAVE ACCESS IN THE SPECIAL EDUCATION FUND
(SPEF) RA 5447**

WHEREAS, some proposals have obtained the endorsement of President Gloria Macapagal Arroyo and the support of the Department of Budget and Management (DBM) for TVET sector to have access in the SPECIAL EDUCATION FUND (SPEF) in accordance with RA5447 during the NAPC Cluster Cabinet Meeting held last November 16, 2004 ;

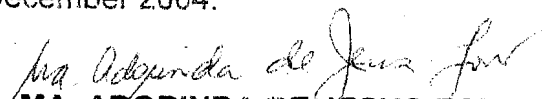
WHEREAS, the Special Education Fund (SPEF) is being access only by the Department of Education (DepEd);

WHEREAS, there is a need to complement and increase investment in support to the five paradigm shifts of TESDA ;

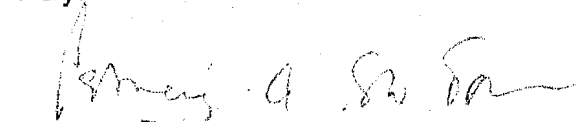
NOW THEREFORE, BE IT RESOLVED , AS IT IS HEREBY RESOLVED, that the Board endorses to DBM and DILG TESDA's request for the TVET sector to have access in the Special Education Fund;

BE IT RESOLVED FINALLY, that copies of this resolution be disseminated to all concerned agencies /offices .

Adopted this 9th day of December 2004.


MA. ADORINDA DE JESUS-FORRO
Board Secretary VI

Attested By:


PATRICIA A. STO. TOMAS
Chair, TESDA Board
Secretary, Department of Labor and Employment

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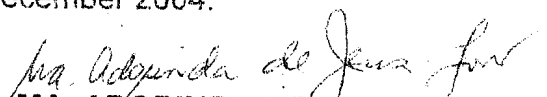
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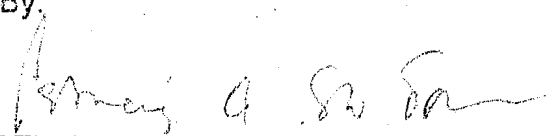
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Adopted this 9th day of December 2004.


MA. ADORINDA DE JESUS-FORRO
Board Secretary VI

Attested By:


PATRICIA A. STO. TOMAS
Chair, TESDA Board
Secretary, Department of Labor and Employment

REPUBLIC ACT NO. 5447

AN ACT CREATING A SPECIAL EDUCATION FUND TO BE CONSTITUTED FROM THE PROCEEDS OF AN ADDITIONAL REAL PROPERTY TAX AND A CERTAIN PORTION OF THE TAXES ON VIRGINIA-TYPE CIGARETTES AND DUTIES ON IMPORTED LEAF TOBACCO, DEFINING THE ACTIVITIES TO BE FINANCED, CREATING SCHOOL BOARDS FOR THE PURPOSE, AND APPROPRIATING FUNDS THEREFROM

SECTION 1. Declaration of policy; creation of Special Education Fund. — It is hereby declared to be the policy of the government to contribute to the financial support of the goals of education as provided by the Constitution. For this purpose, there is hereby created a Special Education Fund, hereinafter referred to as the Fund, to be derived from the additional tax on real property and from a certain portion of the taxes on Virginia-type cigarettes and duties on imported leaf tobacco, hereinafter provided for, which shall be expended exclusively for the following activities of the Department of Education:

- (a) the organization and operation of such number of extension classes as may be needed to accommodate all children of school age desiring to enter Grade I, including the creation of positions of classroom teachers, head teachers and principals for such extension classes, which shall not exceed the standard requirements of the Bureau of Public Schools: Provided, That under equal circumstances, in the opening of such extension classes, priority shall be given to the needs of barrios; and
- (b) the programming of the construction and repair of elementary school buildings, acquisition of sites, and the construction and repair of workshops and similar buildings and accessories thereof to house laboratory, technical and similar equipment and apparatus needed by public schools offering practical arts, home economics and vocational courses, giving priority to elementary schools on the basis of the actual needs and total requirements of the country: Provided, That the construction and repair shall be undertaken by the Bureau of Public Works in coordination with the Bureau of Public Schools or Bureau of Vocational Education, as the case may be, and the local school board: Provided, further, That in cases where the cost of the school project does not exceed ten thousand pesos the construction and repair may be undertaken by negotiated contract by the Parents-Teachers Association or by the barrio councils concerned under the supervision and direction of the Bureau of Public Works;
- (c) the payment and adjustment of salaries of public school teachers under and by virtue of Republic Act Numbered Five thousand one hundred sixty-eight and all the benefits in favor of public school teachers provided under Republic Act Numbered Four thousand six hundred seventy;
- (d) the preparation, printing and/or purchase of textbooks, teachers' guides, forms and pamphlets, approved in accordance with existing laws to be used in all public schools;
- (e) the purchase and/or improvement, repair and refurbishing of machinery, laboratory, technical and similar equipment and apparatus, including spare parts needed by the Bureau of Vocational Education and secondary schools offering vocational courses;
- (f) the establishment of a printing plant to be used exclusively for the printing needs of the Department of Education and the improvement of regional printing plants in the vocational schools; and
- (g) the purchase of teaching materials such as workbooks, atlases, flip charts, science and mathematics teaching aids, and simple laboratory devices for elementary and secondary classes;
- (h) the implementation of the existing program for citizenship development in barrio high schools, folk schools and adult education classes;
- (i) the undertaking of education research, including that of the Board of National Education;
- (j) the granting of government scholarships to poor but deserving students under Republic Act Numbered Four thousand ninety; and
- (k) the promotion of physical education, such as athletic meets.

SECTION 2. Financing sources of the Fund. — This Fund shall consist of the proceeds of the following taxes:

- (a) a portion of the taxes on Virginia-type cigarettes and duties on imported leaf tobacco; and
- (b) an additional tax on real property.

SECTION 3. Allocation of the taxes on Virginia-type cigarettes and the duties on imported leaf tobacco. — The entire collection from specific taxes on locally-manufactured Virginia-type cigarettes and tariff duties on imported leaf tobacco shall be allocated as follows:

The share of the local governments in the regular internal revenue allotment as provided for in Commonwealth Act Numbered Four hundred eighty-six, as amended by Republic Act Numbered Seven hundred eighty-one, as further amended by Republic Act Numbered Five thousand one hundred eighty-five, shall be computed and set aside for distribution to local governments in accordance with existing laws.

One per centum of the entire collection shall be retained by the Bureau of Internal Revenue for the purchase of strip stamps, apparatus, equipment, as well as improvement and adoption of modern methods for the effective enforcement and collection of the specific taxes mentioned in this section.

The balance shall be distributed as follows: ten per centum to the national share of the Fund; forty per centum to the Philippine Virginia Tobacco Administration Tobacco Fund created under Republic Act Numbered Four thousand one hundred fifty-five; and fifty per centum to the general fund of the National Government. cdt

SECTION 4. Imposition of additional tax on real property; disposition of proceeds. — There is hereby imposed an annual additional tax of one per centum on the assessed value of real property in addition to the real property tax regularly levied thereon under existing laws: Provided, That when the entire total assessed valuation of real property assessable to any one person is not in excess of three thousand pesos, the additional tax thereon shall not be collected: Provided, further, That the total real property tax shall not exceed a maximum of three per centum.

Article three of Commonwealth Act Numbered Four hundred seventy and the pertinent provisions of the corresponding charters of chartered cities to the contrary notwithstanding, the basic and the additional real property tax shall be due and payable in four equal installments; the first installment shall be due and payable on or before March 31; the second installment, on or before June 30; the third installment, on or before September 30; and the last installment, on or before December 31.

The assessment already made or to be made under Commonwealth Act Numbered Four hundred seventy and under other applicable laws shall constitute the basis for assessment and collection of the additional levy under this Act. It shall be collected by the municipal or city treasurer where the real property is situated and distributed as follows:

A. Collections in the municipalities:

- (1) Fifty per cent shall be retained by the municipality;
- (2) Twenty per cent shall be remitted to the provincial treasurer of the province; and
- (3) Thirty per cent shall be remitted to the Treasurer of the Philippines to be expended exclusively for stabilizing the Special Education Fund in the municipalities, cities and provinces under Section seven of this Act.

B. Collections in the cities;

- (1) Sixty per cent shall be retained by the city; and
- (2) Forty per cent shall be remitted to the Treasurer of the Philippines to be expended exclusively for stabilizing the Special Education Fund in municipalities, cities and provinces under Section seven of this Act.

SECTION 5. Creation of Local School Boards. — In every province, city or municipality, there shall be established a Provincial School Board, City School Board, or Municipal School Board, respectively, which shall be composed of the following:

A. Provincial School Board:

- (1) Division Superintendent of Schools — Chairman
- (2) Representative of the Provincial Governor
- (3) Provincial Treasurer

(4) The Representative of the Provincial Board to be chosen by the Board from among its members.

(5) The President or the duly-elected representative of the League of Parents-Teachers Associations.

B. City School Board:

(1) City Superintendent of Schools — Chairman

(2) Representative of the City Mayor and

(3) City Treasurer

(4) The Representative of the City Council chosen by the Council from among its members

(5) The President or the duly-elected representative of the League of Parents-Teachers Associations.

C. Municipal School Board:

(1) District Supervisor — Chairman

(2) Representative of the Municipal Mayor

(3) Municipal Treasurer

(4) The Representative of the Municipal Council chosen by the Council from among the members of the Council

(5) The President or the duly-elected representative of the League of Parents-Teachers Associations.

The performance of the duties and responsibilities of the above-named persons once appointed or nominated shall not be delegated.

SECTION 6. Functions of provincial, city or municipal school boards. — Provincial, city and municipal school boards shall have the following functions:

(a) Determine, in accordance with the criteria set by the Bureau of Public Schools or by the Bureau of Vocational Education, as the case may be, and approved by the Secretary of Education, the annual budgetary needs for the operation and maintenance of public schools within the province, city or municipality and the cost of adequately meeting such needs which shall be prepared in the form of an annual school budget corresponding to their respective shares of the proceeds of the additional real property tax.

(b) Apply to the Bureau of Public Schools or to the Bureau of Vocational Education, as the case may be, through the Division Superintendent of Schools or Superintendent of Vocational Education, for a share in the fund established under Section 4A (3) and 4B (2) hereof, which share, upon approval of the application therefor, shall be remitted to the provincial, city or municipal treasurer concerned.

(c) Authorize the provincial, city or municipal treasurer as the case may be, to disburse funds from the provincial, city or municipal share in the Special Education Fund pursuant to the budget prepared under Section seven hereof and in accordance with the rules and regulations to be promulgated under Section ten of this Act; and *aisa de*

(d) Discharge such other functions and duties as the Bureau of Public Schools or the Bureau of Vocational Education, as the case may be, may assign to them.

The chairman and members of the provincial, city or municipal school boards, shall perform their duties as such without compensation or remuneration: Provided, however, That members thereof who are not government officials shall be entitled to necessary travelling expenses chargeable against their corresponding funds. The boards shall meet at least once a month or as often as the chairman or majority of the members shall convene the same. Three shall form a quorum and the chairman must always be present when the special school budget is being prepared: Provided, That the affirmative vote of three shall be necessary to approve the budget.

SECTION 7. Expenditure of the Special Education Fund. — Each school board shall prepare not later than August 15 each year the budget of receipts and expenditures for the ensuing fiscal year to carry out the purpose of this Act. Budgets prepared and approved in accordance with Republic Act Numbered Five thousand one hundred sixty-eight and other existing laws, administrative rules and regulations by provincial, city or municipal school boards shall be final and executory upon approval

of the budget by the boards unless an appropriate appeal is taken within fifteen days from the date of the approval of the budget with the Director of Public Schools or the Director of the Bureau of Vocational Education, as the case may be, for final decision within thirty days upon receipt of the appeal under rules and regulations to be promulgated by the Secretary of Education. Any school need which cannot be covered by the budget of receipts and expenditures shall be forwarded to the Department of Education, through the Bureau of Public Schools or the Bureau of Vocational Education, as the case may be, together with the approved special budget for the ensuing fiscal year for its information.

Expenditure of the share of the National Government out of the Special Education Fund shall be in pursuance of appropriations made by the law which shall be included in the budgets of the Bureau of Public Schools and the Bureau of Vocational Education in the annual General Appropriations Acts: Provided, however, That in allocating the Fund corresponding to the National Government, the Department of Education shall follow a schedule of priorities starting with the municipalities, cities or provinces belonging to the lowest classification made by the Department of Finance under Section two thousand one hundred seventy-one of the Revised Administrative Code, as amended by Section one of Republic Act Numbered Two thousand three hundred sixty-eight: Provided, finally, That starting with the fourth year from the approval of this Act, municipalities, cities and provinces enjoying priority shall continue to be entitled thereto provided their total collection from real estate taxes during the preceding three fiscal years shall have increased by an average of at least fifteen per cent. aisa dc

The collections accruing to the said Fund during the fiscal year ending June 30, 1969, are hereby appropriated to fund the appropriations from the general and bond funds for the Bureau of Public Schools and the Bureau of Vocational Education which cannot be programmed for expenditure for lack of funds: Provided, That the following sums are hereby appropriated strictly in accordance with the following schedule of priorities:

- (a) Twenty million pesos, or so much thereof as may be necessary, for the adjustment and payment of salaries of public school teachers under Republic Act Numbered Five thousand one hundred sixty-eight;
- (b) Five million pesos, or so much thereof as may be necessary, for the repair of school buildings and building accessories;
- (c) Five million pesos, or so much thereof as may be necessary, as aid to barrio high schools;
- (d) Two million pesos, or so much thereof as may be necessary, for the granting of government scholarships to poor but deserving students under Republic Act Numbered Four thousand ninety;
- (e) Four million pesos, or so much thereof as may be necessary, for the acquisition and establishment of an adequate printing plant to be used exclusively for the printing of textbooks, teaching materials and other printing needs of the Department of Education: Provided, That the operation and maintenance of the said printing plant shall be undertaken by the Bureau of Printing;
- (f) One million pesos, or so much thereof as may be necessary, for expenses in connection with the holding of the Bureau of Public Schools 1969 Interscholastic Meet; and
- (g) Five hundred thousand pesos, or so much thereof as may be necessary, for education research, including that of the Board of National Education.

SECTION 8. Administrative provisions. — All administrative, special and general provisions of law, including those pertaining to the assessment, remission, collection, and refund of real property taxes not inconsistent with the provisions of this Act are made applicable in respect to the additional tax on real property:

SECTION 9. Turnover of the collections; release of the Fund is ministerial. — The municipal or city treasurers concerned shall retain the shares of the municipal or city government and turn over the portions of their collections of the taxes and penalties mentioned in Section four hereof appertaining, as the case may be, to the provincial government and/or to the National Government to the respective treasurers thereof monthly within fifteen days of every succeeding month. No portion of the collections may be transferred or diverted to the general or any of other fund of the National Government, provinces, cities or municipalities, or used or expended for any purpose other than those

specified in this Act. It shall be the ministerial duty of the Budget Commissioner, the Treasurer of the Philippines, all municipal, provincial and city treasurers, as well as of the officials and employees under their supervision and control to effect releases from the Fund within fifteen days from receipt of the order and/or authorization by the Secretary of Education, in respect to the share of the National Government from the Fund, and by the municipal, city or provincial school boards, in respect to their respective shares from the Fund. cdtai

SECTION 10. Rules and Regulations. — The Secretary of Education and the Secretary of Finance, upon the recommendation of the Director of Public Schools, the Director of Vocational Education and the Treasurer of the Philippines, as the case may be, shall promulgate all rules and regulations for the effective enforcement of the provisions of this Act pertaining to their respective jurisdictions, and shall cause the same to be published within fifteen days from promulgation, in three newspapers of general circulation in the Philippines and shall take effect as such, fifteen days after their publication.

SECTION 11. Penal provision. — Any person who fails or refuses to turn over collections of the taxes and penalties mentioned in this Act within the period fixed in Section nine hereof, or who delays, obstructs, or prevents the same; or who fails or refuses to effect releases from the Fund within the period fixed in Section nine hereof, or who delays, obstructs or prevents the same; or who orders, causes, or effects the transfer or diversion of the collections of this Fund or any portion thereof, shall be punished with a fine not exceeding ten thousand pesos or imprisonment not exceeding six years, or both, in the discretion of the court. If the offender is a government official or employee, he shall, in addition, be dismissed from the service with prejudice to reinstatement and with disqualification for election or appointment to any public office.

SECTION 12. Separability clause. — The provisions of this Act are hereby declared to be separable, and in the event any part, section or provision of this Act is held invalid or unconstitutional, no other part, section or provision thereof shall be affected thereby. acd

SECTION 13. Repealing clause. — All Acts, parts of Acts, executive orders, ordinances, rules and regulations which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SECTION 14. Effectivity. — This Act shall take effect on January first, nineteen hundred and sixty-nine except the allocation under Section three which shall take effect upon approval of this Act.

Approved: September 25, 1968
