

Education Service Contracting (ESC) and Teacher Salary Subsidy (TSS)

School Year 2016-2017

Legal Bases

RA 8545 Amended GASTPE Law (RA 6728)

- Policy of the State to promote quality education and make it accessible to all Filipino citizens
- Recognition of the complimentary roles of public and private education institutions
- Recognition of the past and continuing invaluable contribution of private schools to education
- The State to provide mechanisms to improve quality of private education by maximizing the use of its existing resources

R.A. 8545 (Expanded) GASTPE

Government
Assistance to
Students and
Teachers in
Private
Education

1. **Education Service Contracting (ESC) – regular and Open High School Program (OHSP)**
2. **Teacher Salary Subsidy (TSS)**
3. **In-Service Training (INSET)**
4. **Research**

Education Service Contracting

Education Service Contracting

Given to elementary graduates

- Who opt to enroll in private high schools under a formal school setting or Open High School Program (OHSP)
- Shall start at Grade 7
- Covers four (4) years of junior high school
- Difference between the ESC grant and a private school's total school fees is shouldered by the grantee

ESC Grant

For SY 2016-2017 the following grant levels apply:

ESC Grants		
Level	NCR	Regions outside NCR
Grade 7	Php11,000	Php8,500
Grade 8	Php11,000	Php8,500
Grade 9	Php10,000	Php7,500
Grade 10	Php10,000	Php6,500

Private School Participation in ESC

For Regular (Formal Schooling)

- Must have government recognition
- Must pass Certification
- Schools accredited at least as Level I by any member of the Federation of Accrediting Agencies of the Philippines (FAAP) are exempt from Certification

Actual participation of new schools depends on:

- Availability of new slots
- Position based on a queuing system
- Priority based on seat shortages in the city/municipality
- March-end cut-off list for newly-certified schools

Private School Participation in ESC

For OHSP (Informal Schooling)

- No new schools shall be accepted in the OHSP
- Pending program evaluation by PEAC

ESC Certification

Certification Program Goals

- Determine if a GASTPE participating or applicant school complies with DepEd minimum standards and criteria for participation in the ESC
- Assess the extent of school compliance with standards
- Evaluate school characteristics, qualitative traits of excellence and level of performance

ESC Grade 7 Slot Allocation to Participating Schools

Fixed Slot Allocation

- Equal to actual no. of Grade 7 ESC grantees last SY or at least 60 slots provided school is in good standing:
 - passed last certification/re-certification visit
 - no adverse findings in last monitoring
 - demonstrated capacity to utilize slots
- New or first time participating schools – 50 slots

Incentive Slot Allocation

- Level II and above accredited schools – plus 60
- Level I accredited schools – plus 30
- Certification rating of 3.00 and above – plus 30

ESC Grade 7 Slot Allocation to Participating Schools

OHSP Slot Allocation

- ESC schools participating in the OHSP shall receive Grade 7 OHSP slots equal to the actual number of Grade 7 OHSP grantees they had in the previous school year

ESC Grade 7 Slot Allocation

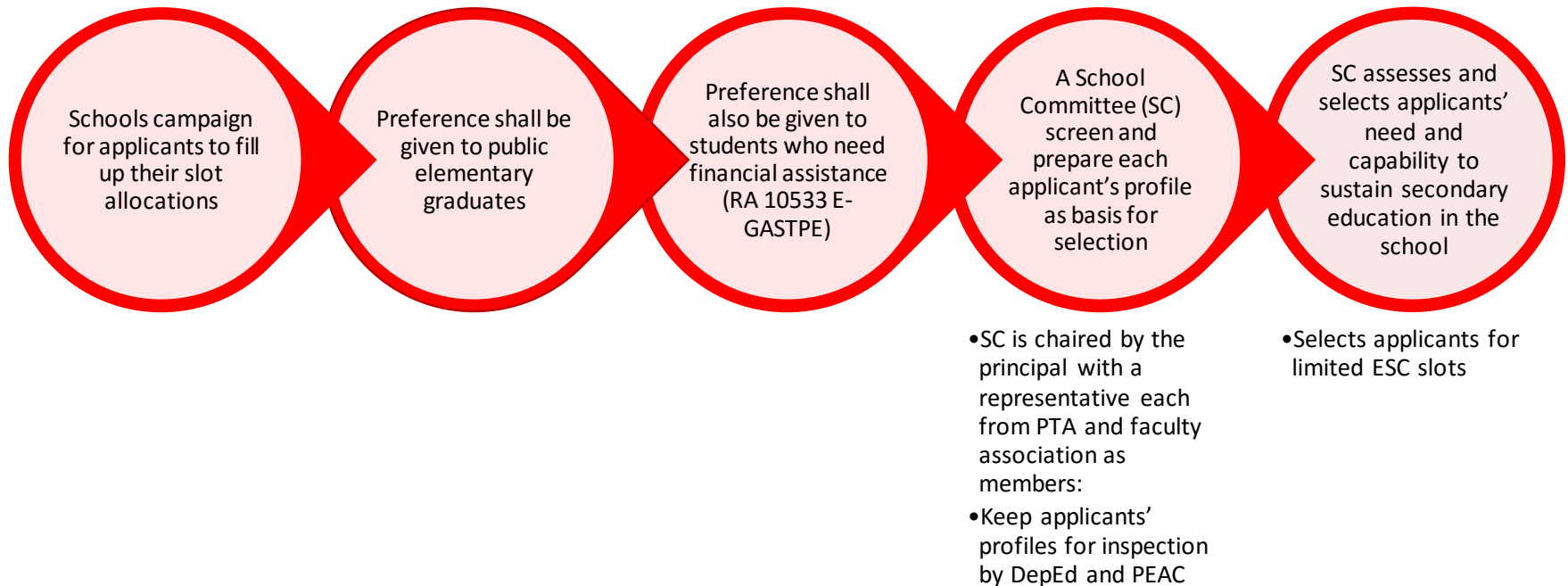
Total slot allocation is equal to the sum of the ff:

- Fixed slot allocation, plus
- Incentive allocation, if any, minus
- Sanctions and penalties, if any

A school's total slot allocation is indicated in its ESC IMS account

- ESC Information Management System (ESC IMS) in the PEAC website: www.fape.org.ph

ESC Grantee Selection



Orientation of Grantees/Parents

Principal must conduct an orientation for grantees and parents/guardians on ESC guidelines:

- Emphasize ESC is a program of government under GASTPE
- Objectives of ESC
- How grantees were selected and out of how many applicants
- Requirements for grantees to continue enjoying their subsidies
- How much grant per student and top-up to be paid, if any

Orientation of Grantees/Parents

- School must keep an attendance sheet as proof of the conduct of the orientation together with individual contracts signed (sample in PEAC website) for inspection by DepEd and PEAC
- School must encode names and information of selected grantees in the ESC IMS

ESC Grantee Selection

School must indicate in student IDs the icon provided in PEAC website to signify student is an ESC grantee



Conditions for ESC Grantees to Maintain their Grant

For Regular (Formal Schooling)

- ESC is Government financial assistance to grantees, no maintaining grade is required
- Grantee promotion to next year level assures him/her of continued support through ESC grant

The grant is terminated for any one of the following situations:

- Grantee drops out for non-health reasons in the middle of the school year
- Grantee does not apply for official leave and does not re-enroll the following year
- Grantee is retained in the same year level or is not promoted to the next higher year level
- Grantee is suspended for more than 2 weeks, or is dismissed or expelled by the school for disciplinary violation
- Grantee transfers to a non-ESC participating school

ESC Subsidy is Portable Subject to Conditions

Guidelines on grantee transfers (Regular/Formal Schooling)

- Outside the NCR into the NCR is not allowed
- Outside NCR to another school outside NCR is permitted
- NCR to outside NCR is permitted but subsidy is reduced
- If transfer is before July 15, subsidy is paid to the school the grantee transferred to
- If transfer is after July 15, subsidy is paid to school of origin and grantee has to pay tuition and other fees in school he/she transferred to for that year

Conditions for ESC Grantees to Maintain their Subsidies

A Grantee's Transfer is valid when (Regular/Formal Schooling):

- School of origin gives written certification that the grantee is a student of the school indicating his/her student ID number and submits this to the new/receiving school
- School of origin indicates in its online account that the status of student is a "Transfer-Out"
- Receiving school indicates in its online account that the grantee is a "Transfer-In"
- Grantee is included in the accepting school's Billing Statement

Conditions for ESC Grantees to Maintain their Grants

For OHSP (Informal Schooling)

- Complete and pass a given year level within one calendar year from enrolment
- Enroll in the next year level within 2 months from completing and passing the previous year level
- No maintaining grade is required for retention in the program

Situations where ESC OHSP Grantees lose their Subsidy

For OHSP (Informal Schooling)

- Failure to complete a year level within one calendar year from enrolment - automatically dropped from the program
- Failure to enroll in the next year level within two months of completing and passing the previous year level - automatically dropped from the program

Teacher Salary Subsidy

Coverage and Amount of Teacher Salary Subsidy

Available to teachers of ESC participating schools that meet the following:

- Are LET teacher passers issued licenses by the Professional Regulation Commission (PRC)
- Must be teachers of ESC grantees
- At least 180 teaching minutes per week
- Note: non-teaching staff are not entitled to the salary subsidy.

Coverage and Amount of Teacher Salary Subsidy

TSS is P18,000 per teacher per year

- P1,500.00 per month of service
- Teachers who resigned or retired at time of payment of TSS due to health reasons are entitled based on actual services rendered and in accordance with school regulations

Coverage and Amount of Teacher Salary Subsidy

- Unexpended subsidies must be returned to DepEd Central Office and are not transferrable to teachers not listed among those billed by the school for the school year
- The government may verify the PRC licenses of teachers claiming TSS. Any false claim shall result in suspension of the TSS of a school

QUALITY ASSURANCE OF PARTICIPATING SCHOOLS

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- Re-certification of ESC participating schools is done every three (3) years to ensure schools meet DepEd minimum standards for secondary schools
- Ratings given are as follows:

3.00 and above	Above Standard
2.00 to 2.99	Standard
1.99 and below	Below Standard

QUALITY ASSURANCE OF PARTICIPATING SCHOOLS

A school must make itself available for re-certification after 3 yrs. from its last certification

It must submit all requirements for re-certification w/in 2 mos. of receipt of notice for re-certification

- Even if the actual visit may not follow immediately
- Failure to comply will prevent the school from accepting Grade 7 grantees the following school year

QUALITY ASSURANCE OF PARTICIPATING SCHOOLS

Schools that fail re-certification with a rating of less than 2.00 shall:

- Not be allotted additional slots
- Have one school year to improve their curriculum, governance, school operations to pass a re-certification visit
- If they still fail, not be allowed to recruit Grade 7 grantees and only be allowed to graduate the continuing grantees

GROUNDS FOR PENALTIES, SUSPENSION AND TERMINATION OF SCHOOL PARTICIPATION

Grounds for Penalties, Suspension & Termination



- Falsification of data or information in any of the program forms and related attachments

Penalty:

**a minimum suspension of one (1) year
whereby the school shall not be
allowed to recruit freshman grantees**

Grounds for Penalties, Suspension & Termination

- Padding and/or inclusion of “ghost students” in the list of grantees. This refers to the following:
 - Listed grantees absent during a PEAC field audit of the school, whose existence and whereabouts cannot be sufficiently explained and supported by school authorities;
 - Grantees listed as enrolled in a specific school campus or unit but are actually attending classes in a different school campus or unit;
 - Grantees listed as “enrolled” but who have not been attending classes since the opening of classes;
 - Grantees double-listed under the ESC program.



Santions & Penalties:

- **Immediate return of subsidies otherwise no grade 7 slots the following year**
- **Proof such as presentation of actual grantees must be provided to dispute findings, among others**
- **Termination from program in extreme cases**

Grounds for Penalties, Suspension & Termination

- Charging grantees in excess of the school's total fees
- Non-reimbursement or undue delay in the reimbursement of tuition and other fees advanced by grantees after the school has been paid by DepEd

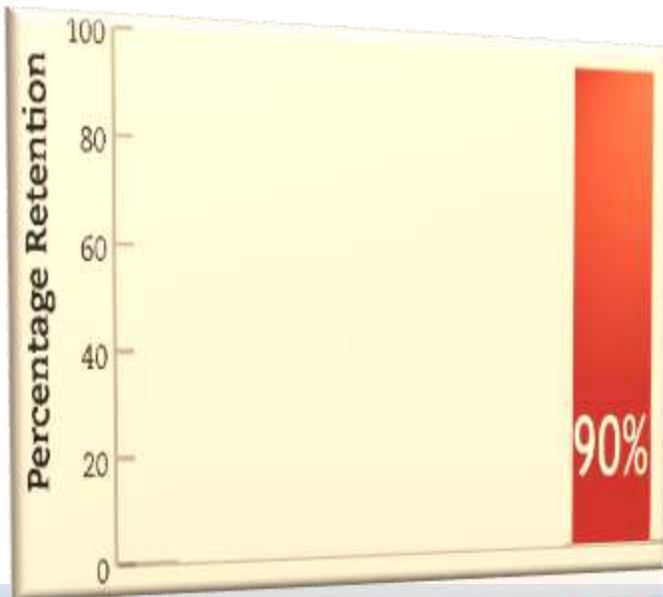


Penalty:

a documented return of the excess funds charged by the school and a 50% discount on any TFOF differential the grantee has to pay the school the following school year

Grounds for Penalties, Suspension & Termination

- A retention rate on the total number of ESC grantees below 80% except for reasons due to force majeure (e.g. calamities, armed conflict)



Penalty:

Actual retention rate to be applied on total “would-be” Grade 7 slot allocation. Example: if retention is 75% and total slot allocation is 100 – school gets only 75 slots of the 100

Grounds for Penalties, Suspension & Termination

- Refusal to release transfer credentials to grantees that opt to transfer to other schools.



Penalty:

a documented release of the transfer credentials and reduction in total grade 7 slot allocation by the number of grantees affected

Grounds for Penalties, Suspension & Termination

- Requiring transferring grantees to pay for unattended school years



Penalty:

a reduction in the total grade 7 slot allocation by the number of affected grantees

Grounds for Penalties, Suspension & Termination

- Schools unduly withholding TSS payments to qualified licensed teachers.

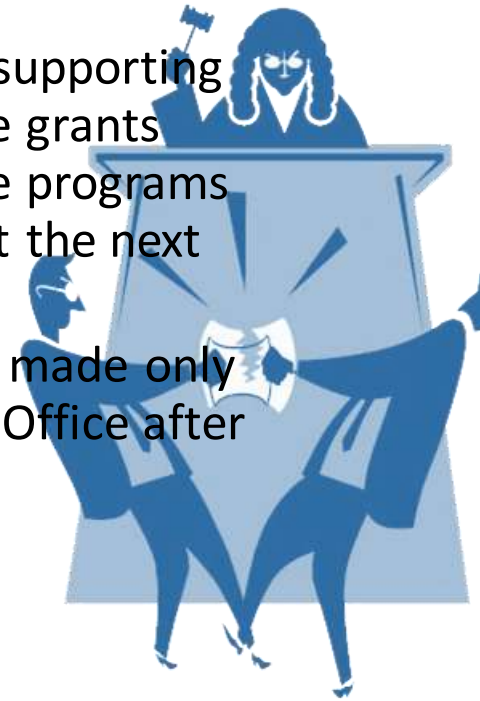


Penalty:

a 10% reduction in the school's fixed slot allocation and no additional slot allocation

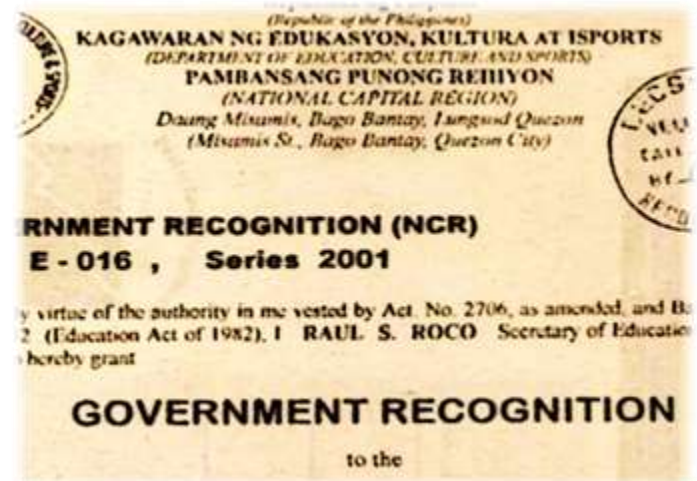
Grounds for Penalties, Suspension & Termination

- Schools with unresolved ownership disputes filed in court
 - Once established through receipt of court documents supporting such or when the adverse party makes a claim over the grants received by the school, the school's participation in the programs shall be suspended beginning with grade 7 recruitment the next school year
 - Payment for continuing grantees of the school shall be made only upon the written Endorsement by the DepEd Regional Office after consulting its Legal Department



Grounds for Penalties, Suspension & Termination

- Participating schools whose SEC Registration has lapsed must renew this before the start of the school year. Failure to do so may result in the revocation of Government Recognition thus preventing the school from accepting freshman ESC grantees.



Treatment of Findings

Treatment of Findings

Depending on the nature of findings, the PEAC National Secretariat shall apply DepEd and PEAC agreed Protocols for Dealing with Schools with Adverse Findings

Deadline for Submission of Billing Statements

Schools must submit billing statements generated by ESC IMS along with supporting documents to PEAC Regional Secretariat by the **August 15, 2016 DEADLINE!**