

THIRTEENTH CONGRESS OF THE REPUBLIC  
OF THE PHILIPPINES  
First Regular Session

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S E N A T E

S. No. 314

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Introduced by Senator S. R. Osmeña III

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EXPLANATORY NOTE

Teachers play a very vital role in preparing our youth for the challenges of the next millennium. To help ensure that they perform their tasks efficiently, it is essential that they be paid their correct wages on time and with minimum errors.

A perennial problem facing our teachers is the centralized payment of their salaries by the Manila-based Payroll Service Division of the Department of Education, Culture and Sports. Because of the number of personnel – around 485,000 teaching and non-teaching-employees – handled by that office, mistakes are frequently committed in the form of excessive or unauthorized deductions, wrong computation of withholding tax and the like. Moreover, instances of delayed payment of salaries to newly hired teachers or those who have gone on leave without pay are often. As a result of these inefficiencies, our poor teachers in the provinces are forced to go to Manila to follow up their problems and in the process spend their hard-earned resources.

This bill provides for a remedy by improving the delivery of payroll services to public school teachers around the country. This will be done by further decentralizing the payment of salaries by expanding its coverage to include not only public secondary school teachers but also elementary school teachers.

Passage of this bill therefor is earnestly sought.



SERGIO OSMEÑA III  
Senator

SENATE

S. No. 314

Introduced by Senator S. R. Osmeña III

AN ACT  
PROVIDING FOR THE REORGANIZATION OF THE DEPARTMENT OF  
EDUCATION, CULTURE AND SPORTS PAYROLL SERVICE DIVISION AND  
PROVIDING FOR FUNDS THEREFOR

*Be it enacted by the Senate and House of Representatives of the Philippines in  
Congress assembled:*

SECTION 1. The IBM – Payroll Service Division of the Department of  
Education, Culture and Sports shall be decentralized by establishing a Payroll  
Division (PSD) unit in every regional office of the Department.

SEC. 2. The Regional PSD shall have the following duties and  
responsibilities:

2.1 Process, print and distribute the salary checks of public secondary  
and elementary school teachers including those of non-teaching personnel;

2.2 Subject to existing laws and pertinent regulations, to enter into  
agreement with accredited insurance companies, saving banks, thrift banks, and  
duly registered teachers cooperatives with regard to loan amortization or  
premium payments due these financial institutions from teachers and other  
DECS personnel;

2.3 To adopt necessary measures to ensure the release of salary  
checks of teachers and other personnel not later than three (3) days before the  
end of the month for which such salaries are due.

1           2.4 To ensure that newly-hired regular teachers and substitute  
2 teachers, including those who are returning from leave without pay, are released  
3 not later than seven (7) days from the date documents for such claims are  
4 received;

5           2.5 To take all steps to ensure that complaints from teachers for  
6 unauthorized deductions, over-deductions, non-deductions, and other salary-  
7 related problems are attended to within seven (7) days from receipt of such  
8 complaints;

9           2.6 To furnish every teacher every time the salary check is released  
10 with a pay slip containing the following information: date of release of check,  
11 total salary due the teacher for a given period, total amount deducted, itemized  
12 deductions, and the amount being released.

13           SEC. 3. The Regional PSD unit shall be headed by the chief of the  
14 Budget and Finance Division who shall perform this function in a concurrent  
15 capacity, and shall be under the direct supervision of the Regional Director. The  
16 members of the PSD staff shall be taken from other divisional offices, if  
17 necessary. Personnel from the national PSD may be devolved to regional PSD's

18           SEC. 4. Subject to pertinent laws and regulations, the PSD staff, as well  
19 as other personnel who are directly involved in the PSD operation shall be  
20 entitled to claim honoraria in addition to their regular salaries.

21           SEC. 5. A Regional PSD is authorized to collect service fees from  
22 financial institutions mentioned in Section 2 of this Bill provided such collection is  
23 covered with official receipts.

24           SEC. 6. Service fees collected shall be constituted into a trust fund a part  
25 of which may be utilized for the maintenance and operating expenses of the PSD  
26 as well as for the purchases of needed equipment. Such fund may also be  
27 converted into a Provident Fund for teachers to be entrusted to accredited  
28 teachers' cooperative in the region.

1 All disbursement from PSD service fees shall be subject to the approval of  
2 the Secretary of the Department of Education, Culture and Sports.

3 SEC. 7. The Office of the Secretary of the Department of Education,  
4 Culture and Sports shall monitor the operation of Regional PSD's particularly with  
5 regard to the quality of their services to teachers as well as to the utilization of  
6 funds generated.

7 SEC. 8. Any person who wilfully violates or cause the violation of any  
8 provisions of this Act shall upon conviction be penalized with a fine of Twenty  
9 Thousand (P20,000.00) Pesos and/or imprisonment of three (3) months  
10 depending upon the discretion of the court.

11 SEC. 9. This Act shall take effect after publication in two (2) national  
12 newspaper of general circulation.

Approved,