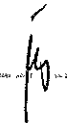


FOURTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

7 SEP 11 2014

SENATE

RECEIVED BY: 

S. No. 1580

---

Introduced by Senator JUAN MIGUEL F. ZUBIRI

---

**EXPLANATORY NOTE**

Schools today face enormous challenges especially with the ever growing demands for educational technology. The average public school in the Philippines is not designed to meet the demands of current and future technology. At present, the students in public schools have been left behind by their counterparts in the private schools. Based on preliminary report of Department of Education (DepEd), only 50% of the 4336 high schools nationwide have computer laboratories. But most of them need to be repaired or upgraded because after these computers have been delivered to schools, they have not been properly maintained.

There is an overwhelming national need to improve the conditions of public schools, focusing on the rapid changes and developments in the field of Information Technology and emergence of knowledge-based society. To achieve this arduous task, the government needs to formulate a viable, comprehensive and sustainable long-term modernization plan for schools primarily at the elementary and secondary levels.

The national government and schools cannot address the problem alone given their limited resources. These problems demand strong and sustained partnerships with other government units and private sectors such as foundations, private corporations and business groups. This bill seeks their participation for a more cost effective and innovative approach to financing school modernization programs. This bill also seeks to establish a School Modernization and Innovation Trust Fund which will augment the regular appropriations that will be provided under the annual General Appropriations Act to finance the priority programs for school modernization and improvement of public elementary and secondary schools.

These modernization programs are essential if we are to create the schools our nation needs to compete in the 21<sup>st</sup> century. Modern educational facilities will result in a better-educated, more informed and more productive population.

Thus, immediate passage of this bill is earnestly sought.



JUAN MIGUEL F. ZUBIRI

FOURTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

7 SEP 13 10:57

SENATE

RECEIVED BY: \_\_\_\_\_



S. No. 1580

---

Introduced by Senator JUAN MIGUEL F. ZUBIRI

---

AN ACT  
INSTITUTIONALIZING A SCHOOL MODERNIZATION AND INNOVATION  
PROGRAM FOR PUBLIC ELEMENTARY AND SECONDARY SCHOOLS,  
PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

1       **SECTION 1. Title.** - This Act shall be known as the "School Modernization and  
2 Innovation Act of 2007".

3  
4       **SECTION 2. Declaration of Policy.** - It is hereby declared the policy of the State  
5 to promote a comprehensive and sustainable modernization program for all public  
6 elementary and secondary schools aimed at improving the effectiveness and efficiency  
7 of delivery of basic education. The State shall likewise take into account the regional  
8 and sectoral needs and conditions in developing a viable long-term modernization plan.  
9 The State shall also encourage the participation of the private sector and local  
10 government units in strengthening programs which provide relevant and adequate skills  
11 for public school children necessary for them to be global competitive.

12  
13       **SECTION 3. Statement of Purpose.** - This Act seeks to attain the following  
14 objectives:

- 15       (a) To provide a broad framework for the institutionalization of a comprehensive,  
16       and sustainable modernization program for the public schools  
17       (b) To encourage the schools to become more innovative and resourceful in  
18       developing and implementing programs geared towards modernization  
19       (c) To develop mechanisms which will define the roles and responsibilities of the  
20       officials from the regional, division down to the school levels in the  
21       implementation of the school modernization programs

1 (d) To provide mechanisms on how the private sector can participate in the  
2 program

3 (e) To define a regional, division and school modernization and innovation plan  
4 responsive to the needs of the students in the area.  
5

6 **SECTION 4. *Implementing Agency.*** - The Department of Education, hereinafter  
7 referred to as the "Department", shall be the main implementing agency of the School  
8 Modernization and Innovation Act. The Secretary of Education shall be responsible of  
9 ensuring the smooth implementation of the modernization plan for schools.  
10

11 **SECTION 5. *Components.*** - The School Modernization and Innovation Program  
12 shall consist of the following:

13 (a) Computerization of public elementary and high schools. At least one  
14 computer laboratory with a minimum of 10 computers shall be established in  
15 every public high school nationwide. The Science high schools in every  
16 region nationwide shall be given priority in the allocation of funds for the  
17 computerization. After more than 50% of the public high schools have been  
18 computerized, the public elementary schools shall start its own massive  
19 computerization program.

20 (b) Upgrading of Libraries in public elementary and secondary schools. A well-  
21 equipped library shall be established in every public elementary and  
22 secondary high school. The library should be provided with at least 2  
23 computers which have Internet access to assist the students in their research  
24 work.

25 (c) Promotion of an integrated distance-learning program. The distance learning  
26 program aims to enable the students from local and foreign private schools to  
27 share their knowledge and expertise in the areas of Science and Technology,  
28 Mathematics, English and Communication to students in public schools  
29 through modern system of instructional and communication technology. It  
30 may adopt an interactive system of instruction through television, modern  
31 satellite communication or cable system whichever is appropriate and feasible  
32 in the area. The students as well as teachers in public schools shall be  
33 provided with opportunities to avail of the latest trends and developments in  
34 the field of educational, science, technology and communication even from  
35 abroad through distance learning programs.

36 (d) Upgrading of Science Laboratories. Each public elementary and high school  
37 will be provided with a well-equipped science laboratories with modern

1 science equipment, which is essential in improving the competencies of the  
2 students in the area of science and technology.

3  
4 **SECTION 6. *Phased Implementation of the Program.*** - The Department shall  
5 implement the program in phases to ensure continuity and sustainability of the projects.  
6 The phases of implementation will be determined according to the priorities set by the  
7 Department as well as the absorptive capacity of the schools.

8  
9 **SECTION 7. *Financing of the Program.*** The Department of Budget and  
10 Management shall allocate 10% of the total appropriations of the annual budget of  
11 DepEd for the financing of the School Modernization and Innovation Program.

12  
13 **SECTION 8. *Formulation of School Modernization and Innovation Plan at***  
14 ***School and Regional Level.***

15  
16 (a) National Modernization and Innovation Plan. The Secretary of Education in  
17 consultation with regional directors and schools division superintendents  
18 shall develop a comprehensive and sustainable modernization and innovation  
19 plan for public elementary and secondary schools nationwide which will be  
20 implemented within a period of 10 years. The plan shall be divided into short,  
21 medium and long term period of implementation. It shall take into account the  
22 rapid changes in the field of information technology, communication and  
23 instructional delivery in various part of the world. It shall also identify sources  
24 of funding both from local and international financial institutions as well as the  
25 role of private sector, local government units and other members of the civil  
26 society. It shall likewise define the national standards and framework, which  
27 will be adopted in developing the individual plans.

28 (b) Regional Modernization and Innovation Plan. The Regional Director in  
29 coordination with the Schools Division Superintendents shall formulate a  
30 modernization framework consistent with national standards which will serve  
31 as the basis for the plan taking into consideration the specific needs, and  
32 requirements of the region. The regional plan shall highlight the peculiarities  
33 and unique needs of the various schools within its jurisdiction.

34 (c) School Modernization and Innovation Plan. Each school shall formulate its  
35 own 10-year modernization plan which reflects the aspirations and goals of  
36 the school based on the regional plan of action. The plan shall consist of an  
37 assessment of the existing needs of the school as well as an inventory of  
38 existing educational facilities, priority programs for the allocation of funds,

1 strategies to mobilize financial resources to augment regular budget and  
2 strategies to manage the use of personnel, physical and fiscal resources. The  
3 individual plans of the schools shall be submitted to the regional offices for  
4 consolidation.

5  
6 **SECTION 9. School Modernization and Innovation Trust Fund.** – A School  
7 Modernization and Innovation Fund, hereinafter referred to as the Fund, is hereby  
8 established, exclusively to augment the regular appropriations provided under Section 7  
9 to finance the priority programs for school modernization and improvement of public  
10 elementary and secondary schools.

11 (a) The government's contribution to the Fund shall be the following:

- 12 1) The amount of Fifteen billion pesos (P15,000,000,000) as seed capital;
- 13 2) The equivalent of twenty percent (20%) of the annual gross earnings of  
14 the Philippine Amusement Gaming Corporation (PAGCOR);
- 15 3) The equivalent of 10% annual share on the Total gross collections of the  
16 travel tax;
- 17 4) The equivalent of 20 %of any additional increase annually in the fees for  
18 vehicle registration;
- 19 5) The equivalent of 2% of the additional increase annually in revenue  
20 collections;
- 21 6) The equivalent of 10% of the sales of the lotto operations of the Philippine  
22 Charity Sweepstakes Offices.

23  
24 The fund shall have a private portion to be raised from donations and gifts and  
25 other conveyances including materials, equipment, properties and services by  
26 gratuitous title.

27  
28 (b) The fund shall be distinct and separate from the schools regular allotment for  
29 maintenance and other operating expenses ( MOOE).

30 (c) The Department shall be authorized to use the annual interest income of the  
31 Trust Fund provided that the expenditures will be used directly for the  
32 implementation of the modernization programs and not on the regular programs  
33 of the Department. Provided further that 50% of the entire annual income shall be  
34 retained in the Bureau of the Special Treasury.

35  
36 **SECTION 10. Management and Administration of the Fund.** - The Fund shall  
37 be administered by the Department of Education. For sound and judicious management

1 of the Fund, the Commission shall appoint a reputable government financial institution  
2 as portfolio manager of the Fund, subject to the following conditions.

3 As administrator of the Fund, the Department shall prepare the necessary  
4 guidelines for its use, subject to the following conditions:

- 5 (a) No part of the seed capital of the Fund, including earnings thereof shall be  
6 used to underwrite overhead expenses of the administration;
- 7 (b) Unless otherwise stipulated by the private donor, only earnings of private  
8 contributions shall be used for administrative expenses;
- 9 (c) The Department shall appoint and organize a separate staff that will be  
10 independent administratively from the Department. It shall also enjoy fiscal  
11 autonomy from the Department.

12  
13 **SECTION 11. *Mandatory Allocation.*** - Each local government unit is hereby  
14 directed to allocate at least 5% of their Special Education Fund to augment the  
15 appropriations for the financing of programs in line with the thrusts of the school  
16 modernization and innovation program.

17  
18 **SECTION 12. *Uses of the Fund.*** - The School Modernization and Innovation  
19 Fund shall be used to finance the following:

- 20 (a) Projects, which have been approved and certified as priority by the National  
21 Executive Committee and Regional Modernization Committees created under  
22 Section 9 based on the guidelines and criteria formulated by the Department.
- 23 (b) In service training of the teachers in the area of computer literacy and  
24 instructional communication technology.
- 25 (c) Procurement of computer equipments including maintenance of computer  
26 laboratories, audio visual and multimedia facilities, and appropriate education  
27 technology softwares
- 28 (d) Procurement of science equipments for science laboratories in schools

29  
30 **SECTION 13. *Order of Priority in the allocation of funds.*** In order for the  
31 school to be given priority in the allocation of funds from the School Modernization  
32 Innovation Trust Fund, The following criteria should be met:

- 33 (a) The programs, which will be funded, should be in line with the formulated  
34 regional and school modernization plans.
- 35 (b) The school should have mobilized additional 40% counterpart funding from  
36 either the local government unit, private corporations, foundations, business  
37 groups or private individuals for every program which will be implemented.

1 (c) The programs have been approved by either the Regional Modernization  
2 Committee, and the National Executive Committee or both depending on the  
3 funding required.  
4

5 **SECTION 14. Selection Process.** - The individual schools nationwide are  
6 directed to develop project proposals in line with the modernization thrusts of their  
7 region and submit to their respective regional offices to determine its feasibility and  
8 contribution to the overall thrusts of school modernization in the country.

9 A National Executive Modernization Committee shall be established. It shall be  
10 headed by the Secretary of the Department of Education, the Undersecretary for  
11 Programs and Directors of Elementary and Secondary Education and 2 representatives  
12 from the private sector. It shall be in-charge in evaluating projects with national  
13 application and coverage.

14 A Regional Modernization Committee headed by the Regional Director and  
15 composed of 3 Division Superintendents and 2 Representatives from Parent Teachers  
16 Association in the region shall be established to evaluate all project proposals at the  
17 regional level. The Regional Modernization Committee shall have the authority to  
18 approve and recommend release of funding for projects with a funding requirement of  
19 P500,000.00 and less.

20 However, the approved project proposals with a funding requirement of more  
21 than P500,000.00 will be forwarded to the National Executive Modernization Committee  
22 chaired by the Secretary of Department of Education or his duly designated  
23 representative for final review and approval.

24 The Department shall promulgate guidelines for the selection of the project  
25 proposals, which will be funded by the School Modernization and Innovation Fund.  
26

27 **SECTION 15. Private Sector Participation.** - The members of the private sector  
28 are hereby encouraged to provide technical and/or financial support to the schools as  
29 they pursue their modernization plans. The private corporations, foundations, business  
30 groups or individuals who shall provide support to modernization programs shall be  
31 allowed to deduct from their gross income 100% of the expenses directly used to  
32 finance the implementation of the program in the schools.

33 The schools which would be able to seek at least 40% counterpart funding  
34 support from private corporations, foundations, business groups individuals as well as  
35 local government in their respective local communities shall be given the priority the  
36 provision of direct grants and funding from the School Improvement and Innovation  
37 Fund particularly in programs which are mentioned in Section 9.

1           **SECTION 16. *Implementing Rules and Regulations.*** - The Secretary of  
2 Education shall promulgate the implementing rules and regulations within (90) ninety  
3 days after the approval of this Act.

4  
5           **SECTION 17. *Separability Clause.*** - If any portion or provision of this Act shall  
6 be declared unconstitutional, such declaration shall not invalidate other parts thereof,  
7 which shall remain in full force and effect.

8  
9           **SECTION 18. *Repealing Clause.*** - All laws and rules and regulations or parts  
10 thereof inconsistent with the provisions of this Act are hereby repealed or modified  
11 accordingly.

12  
13           **SECTION 19. *Effectivity.*** - This Act shall take effect fifteen (15) days following  
14 the publication in at least two (2) newspapers of general circulation.

15  
16           *Approved,*