



Republic of the Philippines  
**DEPARTMENT OF EDUCATION**  
Region VII, Central Visayas  
**SCHOOLS DIVISION OF NEGROS ORIENTAL**  
www.depednegor.net

August 27, 2019

**DIVISION MEMORANDUM**  
No. 546 s. 2019

**REMINDER ON THE VALUATION OF DONATIONS AND PROPER RECORDING OF  
DONATED PROPERTY, PLANT AND EQUIPMENT FROM PRIVATE PARTNERS**

TO : Assistant Schools Division Superintendents  
Chiefs, CID & SGOD  
DEPSs/SEPSs/ EPSs/Division Coordinators  
District Supervisors/District In-Charge  
Public and Private Elementary/Secondary School Heads  
All Others Concerned

1. Attached is **DepEd Regional Memorandum Number 0419, s. 2019 dated August 15, 2019, 2019**, enclosing DepEd Memorandum No. 421, s. 2019, DepEd Order No. 24, s. 2016, entitled: "Guidelines on Accepting Donations and on Processing Applications for the Availment of Tax Incentives by Private Donor-Partners Supporting the K to 12 Program", and DepEd Order No. 82, s. 2011, entitled: "Guidelines on the Proper Recording of all Donated Properties".
2. For details, see attached DepEd Regional Memorandums.
3. Immediate dissemination and compliance to this memorandum is desired.

**WILFREDA D. BONGALOS, PH.D., CESO V**  
Schools Division Superintendent *W*  
8/28/19



REPUBLIKA NG PILIPINAS  
 REPUBLIC OF THE PHILIPPINES  
**KAGAWARAN NG EDUKASYON**  
 DEPARTMENT OF EDUCATION  
**REHIYON VII, GITNANG VISAYAS**  
 REGION VII, CENTRAL VISAYAS  
 Sud. out. Lahug, Cebu City



AUG 15 2019

**REGIONAL MEMORANDUM**

No. 0419, 5. 2019

**REMINDER ON THE VALUATION OF DONATIONS AND PROPER RECORDING OF DONATED PROPERTY, PLANT AND EQUIPMENT FROM PRIVATE PARTNERS**

**TO : SCHOOLS DIVISION SUPERINTENDENTS  
 PUBLIC SCHOOL HEADS  
 ALL OTHERS CONCERNED**

1. Per MEMORANDUM OU-LAPP No. 421, s. 2019 from USEC. **TONISITO M.C. UMALI**, Esq., of the Legislative Affairs, External Partnerships and Project Management Service, dated June 11, 2019, requiring all Schools Division Superintendents, School Heads and all others concerned to adhere to the Department's policies and guidelines on the valuation of donations, and proper recording of donated property, plant and equipment from private partners.
2. Attached for reference is the Memorandum with enclosures from Usec. Tonisito M.C. Umali.
3. For immediate dissemination and strict compliance.

**SALUSTIANO T. JIMENEZ, Ed.D., LLB., CESO V**  
 Director III, Officer In-Charge  
 Office of the Regional Director

STJ/BDT/tc/rjb

Office of the Director (ORD), Tel. Nos. (052) 251-4331, 251-4332, 251-4333, 414-7322; Office of the Assistant Director (AD), Tel. Nos. (052) 255-4542  
 Field Technical Assistance Division (FTAD), Tel. Nos. (052) 414-7324; Curriculum Learning Management Division (CLMD), Tel. Nos. (052) 414-7325  
 Quality Assurance Division (QAD), Tel. Nos. (052) 251-4003; Human Resource Development Division (HRDD), Tel. Nos. (052) 255-5109  
 Education Support Services Division (ESSD), Tel. Nos. (052) 254-7060; Planning, Policy and Research Division (PPRD), Tel. Nos. (052) 251-4006,  
 (052) 251-4007, (052) 414-7326, 414-7327, 414-7328, 414-7329, 414-7330, 414-7331  
 Finance Division, Tel. Nos. (052) 254-0375, 254-0376, 414-7332

**"EFA 2015: Kapatagan ng Lahat, Panatagutan ng Lahat"**



REPUBLIKA NG PILIPINAS  
REPUBLIC OF THE PHILIPPINES  
**KAGAWARAN NG EDUKASYON**  
**DEPARTMENT OF EDUCATION**  
DepED Complex, Meralco Ave., Pasig City



Tanggapan ng Pangalawang Kalihim  
*Office of the Undersecretary*  
Legislative Affairs, External Partnerships  
and Project Management Service

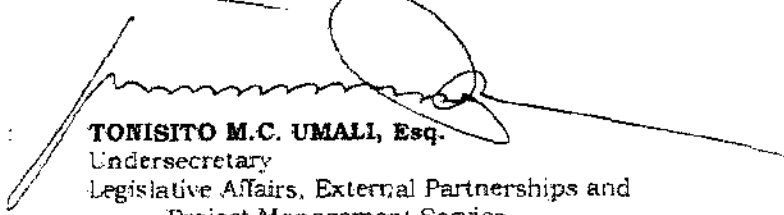
RECORDS DIVISION

**EXTERNAL PARTNERSHIPS SERVICE**  
Direct Line: (+632) 638-8637  
Telefax: (+632) 638-8639  
Email Address: externalpartnerships@deped.gov.ph

RELEASED  
14391ED  
BY: [Signature]  
DATE: JUN 11 2019

**MEMORANDUM**  
OU-LAPP No. 421, s. 2019

**TO :** ALL REGIONAL DIRECTORS  
ALL SCHOOLS DIVISION SUPERINTENDENTS  
ALL PUBLIC SCHOOL HEADS  
ALL OTHERS CONCERNED

**FROM :**   
**TONISITO M.C. UMALL, Esq.**  
Undersecretary  
Legislative Affairs, External Partnerships and  
Project Management Service

**SUBJECT :** REMINDER ON THE VALUATION OF DONATIONS  
AND PROPER RECORDING OF DONATED PROPERTY,  
PLANT AND EQUIPMENT FROM PRIVATE PARTNERS

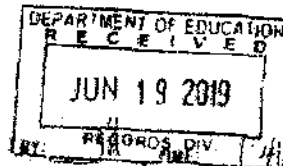
**DATE :** June 11, 2019

1. The Department of Education (DepEd) through the External Partnerships Service (EPS) would like to remind all offices concerned receiving donations from private partners, through the regional offices, division offices and schools, the following applicable rules on the valuation of contributions or donations of private partners to DepEd and the proper recording of the donated items categorized as Property, Plant and Equipment:

1.1 Item VII of the enclosure to DepEd Order No. 24, s. 2016 entitled *Guidelines on Accepting Donations and on Processing Applications for the Availment of Tax Incentives by Private Donor-Partners Supporting the K to 12 Program* (Annex 1), provides the Valuation of Assistance/Contribution or Donation and the formula of computation for the value to be reflected in the Deed of Donation and in the records of donated goods and services.

1.2 DepEd Order No. 82, s. 2011 entitled *Guidelines on the Proper Recording of all Donated Properties* (Annex 2) specifies the requirements for booking up the donations made to DepEd.

The document required to support the recording in the book of accounts is as follows:



- 1.2.1 Inventory Custodian Slip (ICS) (Annex 3) for donated properties with value below P15,000.00
- 1.2.2 Property Acknowledgment Receipt (PAR) (Annex 4) for donated properties above P15,000.00

2. All aforementioned offices concerned are likewise expected to comply with all other laws, accounting rules, regulations, and issuances, such as but not limited to the "DepEd's Handbook on Property and Supply Management (2013 Edition)," that may contain other applicable provisions on the acceptance of donations from public and private partners and its proper recording, as assets of the concerned donee DepEd office.
3. You are likewise reminded that all donated properties generated for Brigada Eskwela and under the Adopt-a-School Program shall be recorded in compliance with aforementioned DOs and rules.

For information and compliance.

Thank you very much.

Encs: A/s

Cc: Annalyn Sevilla  
*Undersecretary, Finance Service*

Atty. Josephine Maribojoc  
*Assistant Secretary*  
*OIC-Office of the Undersecretary for Legal Affairs*

Ramón Fiel Abcede  
*Director IV*  
*OIC-Office of the Assistant Secretary for Finance Service*



Encl.:

As stated

Reference:

DepEd Order (No. 40, s. 2015)

To be indicated in the Perpetual Index  
under the following subjects:

INCENTIVE  
PARTNERSHIPS  
POLICY  
PROGRAM  
STRAND: Strategic Management  
TAX

*Madcl/SMA: Guidelines for Accepting Donations*  
0115-February 5/10/23/March 14, 2016/4-18

### INVENTORY CUSTODIAN SLIP

Entity Name: \_\_\_\_\_

Fund Cluster: \_\_\_\_\_

ICS No: \_\_\_\_\_

Quantity	Unit	Amount		Description	Inventory Item No.	Estimated Useful Life
		Unit Cost	Total Cost			

<p>Received from:</p> <p>_____</p> <p style="text-align: center;">Signature Over Printed Name</p> <p>_____</p> <p style="text-align: center;">Position/Office</p> <p>_____</p> <p style="text-align: center;">Date</p>	<p>Received by:</p> <p>_____</p> <p style="text-align: center;">Signature Over Printed Name</p> <p>_____</p> <p style="text-align: center;">Position/Office</p> <p>_____</p> <p style="text-align: center;">Date</p>
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Republic of the Philippines  
**Department of Education**

25 APR 2016

DepEd ORDER  
No. 24, s. 2016

**GUIDELINES ON ACCEPTING DONATIONS AND ON PROCESSING APPLICATIONS  
FOR THE AVAILMENT OF TAX INCENTIVES BY PRIVATE DONOR-PARTNERS  
SUPPORTING THE K TO 12 PROGRAM**

To: Undersecretaries  
Assistant Secretaries  
Bureau and Service Directors  
Regional Directors  
Schools Division Superintendents  
Public Elementary and Secondary Schools Heads  
All Others Concerned

1. For the information and guidance of all concerned, the Department of Education (DepEd) issues the enclosed **Guidelines on Accepting Donations and on Processing Applications for the Availment of Tax Incentives by Private Donor - Partners Supporting the K to 12 Program**.
2. Promulgated to enable schools and donating entities to mutually benefit from their partnership, these guidelines conform with the tax incentives provision of Republic Act No. 8525 otherwise known as the *Adopt-a-School Act of 1998* and of the Revenue Regulations No. 10-2003.
3. These guidelines aim to provide details on the availment of tax incentives by private sector partners and on valuation of their support.
4. Existing Adopt-a-School Program (ASP) rules and regulations on the treatment and valuation of other forms of support/donation at all school levels, shall continue to apply in processing tax incentive applications.
5. All applications for the availment of tax incentives shall be processed expeditiously and efficiently, and shall be given priority attention. All private sector partners planning to avail of tax incentives should be advised to immediately complete all documentation requirements for submission to the Bureau of Internal Revenue.
6. All DepEd Orders and other related issuances, rules and regulations, and provisions which are inconsistent with these guidelines are repealed, rescinded, or modified accordingly.
7. For more information, all concerned may contact the **External Partnerships Service - Adopt-a-School Program (ASP) Secretariat**, Department of Education (DepEd) Central Office, Teodora Alonso Building, DepEd Complex, Meralco Avenue, Pasig City at telephone no. (02) 638-8637.
8. Immediate dissemination of and strict compliance with this Order is directed.

  
BR. ARMIN A. LUISTRO FSC



**Guidelines for Accepting Donations and Processing Applications for  
the Availment of Tax Incentives by Private Donor-Partners  
Supporting the K to 12 Program**

**I. Rationale**

Recognizing the contribution of the Private Sector towards the realization of the goals of the K to 12 Program, the Department of Education (DepEd) provides opportunities for its donor partners to apply for the availment of tax incentives or tax exemption arising from the partners' expenses incurred in the program since such entitlement is permitted under Republic Act No. 8525 otherwise known as the Adopt-a-School Act of 1998 and of Revenue Regulations No. 10-2003.

As the door for the tax incentives availment is opened for Private Sector partners, DepEd is responsible for ensuring that all applications conform with the existing policies and that they are processed efficiently.

**II. Scope**

These guidelines are intended to provide direction to Private Sector partners about the application process for the availment of tax incentives, the requirements for submission to the Adopt-a-School Program Secretariat and Revenue District Office (RDO) of the Bureau of Internal Revenue (BIR), qualifications of donor partners as applicants, and valuation of the different assistance packages.

**III. Definition of Terms**

- a. "Private Sector partner" shall refer to an individual engaged in trade or business or in the practice of his/her profession or to business organizations, like corporations, partnerships or cooperatives who/which partners with the DepEd towards providing much needed assistance and services to all public schools.
- b. "Assistance" shall refer to the aid/help/contribution/donation provided by a Private Sector partner to public schools implementing the K to 12 Program. Assistance may be in the form of, but not limited to, infrastructure, real estate property, use of facilities, training and skills development support, funding, consultancy, logistics, technology support, and equipment.
- c. "Agreement" shall refer to Memorandum of Agreement (MOA), Deed of Donation/Acceptance or Usufruct Agreement entered into by and between the Private Sector partner and the public school specifying

the terms and conditions of the partnership, including the tasks, responsibilities and rights of the concerned parties.

- d. "Adopt-a-School Program Secretariat" shall refer to the unit under the External Partnerships Service which reviews, facilitates, and endorses the application of the Private Sector partner to the Revenue District Office having jurisdiction over the place of business of the donating partner.
- e. "Application for tax incentives or tax exemption" shall refer to the application for tax credit by the Private Sector partner referred to under Section 4 of the Adopt-a-School Act of 1998, which is an application for additional deduction in arriving at the net taxable income.
- f. "Work Immersion" shall refer to the component of the Senior High School Program consisting of 80 hours of hands-on experience or work simulation which Grades 11 and 12 students will undergo to obtain much needed exposure and learn competencies related to the actual workplace setting.
- g. "Partnership" shall refer to linkage or relationship established by DepEd (Central Office/Regional Office/Schools Division Office/School) with other organizations to implement projects or programs aligned with the K to 12 curriculum.

#### **IV. Policy Statement**

DepEd recognizes the important role of the Private Sector in the promotion of quality and accessible education. As a way of recognizing the active involvement of the Private Sector in the implementation of the K to 12 Program which entailed providing various support packages to public schools, the DepEd supports the tax incentivization campaign of the Bureau of Internal Revenue, one of which is through the implementation of the tax incentive provision of RA 8525, "Adopt-a-School Act of 1998". With private entities given the opportunity to help public schools, these adopting entities become eligible for tax incentive claims, as such entitlement is contained in RA 8525.

**V. Procedure for the Availment of Tax Incentives by the Private Sector Partner**

**PRE-MOA SIGNING**

1. The DepEd (or school) and the Private Sector partner shall draft a Memorandum of Agreement (MOA), the latter specifying the responsibilities and rights of both parties, including details of the donation/contribution, program implementation term, beneficiaries, donation value, and others. Please see template of the MOA as an enclosure of these guidelines.
2. The draft MOA is reviewed by the DepEd legal personnel.

**MOA SIGNING**

3. After the draft MOA has been reviewed and is determined to be in order, official representatives from each concerned party will sign the MOA.

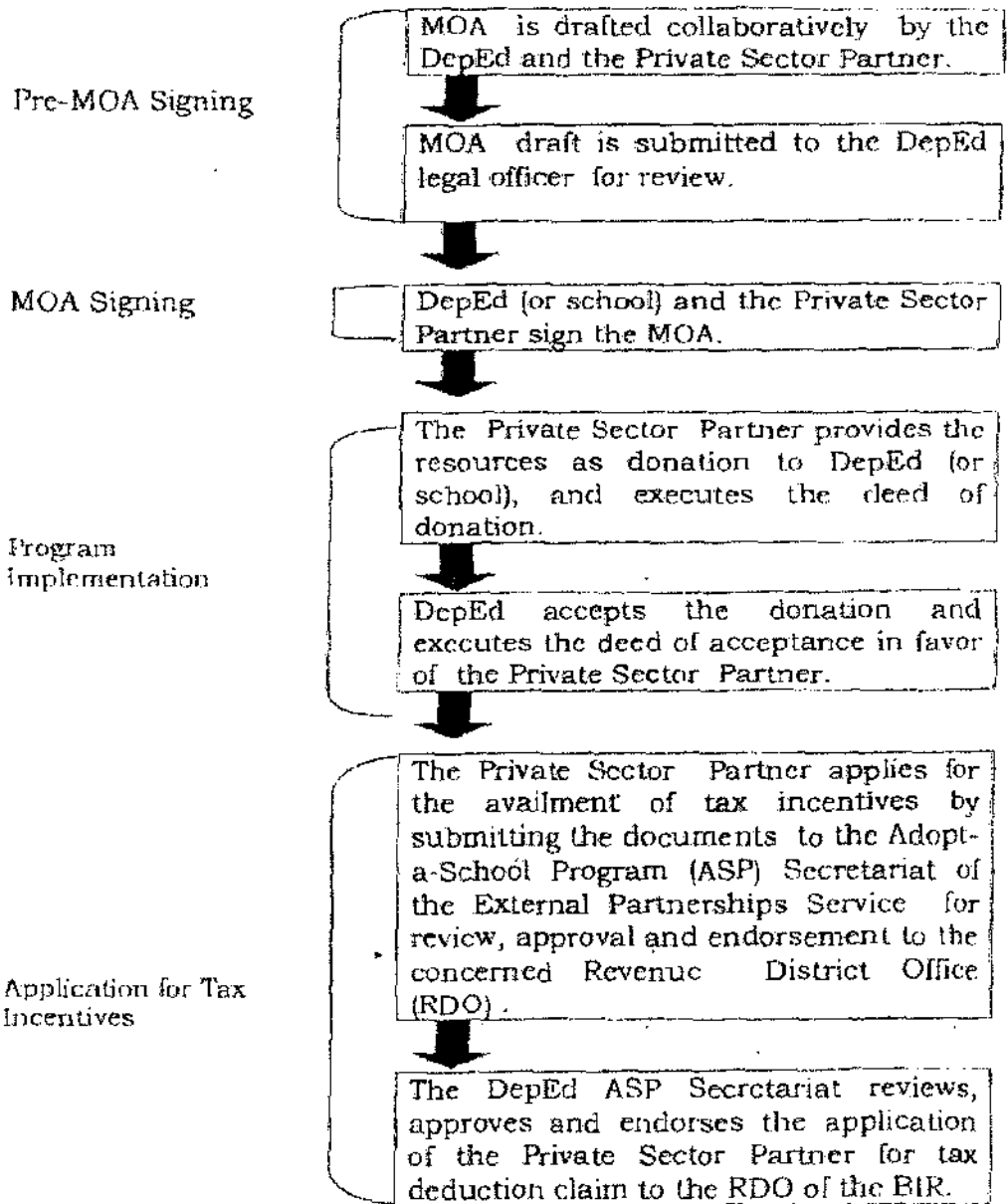
**PROGRAM IMPLEMENTATION**

4. As a result of the MOA signing, the Private Sector partner provides/delivers support packages to the DepEd (or school) as scheduled and executes a deed of donation (DOD) in favor of the beneficiary school, with the DOD containing the actual peso worth of the support packages.
5. The DepEd (or school) receives the support and executes a deed of acceptance as a way of acknowledging the donation provided by the Private Sector partner.

**APPLICATION FOR TAX INCENTIVES**

6. The Private Sector partner applies for the availment of tax incentives arising from its expenses incurred in the program, by submitting proper and complete requirements to the DepEd Adopt-a-School Program Secretariat which is under the External Partnerships Service.
7. The DepEd Adopt-a-School Program Secretariat reviews application papers of partners and endorses them to the Revenue District Office of BIR for approval.

**Flow Chart**



\*Rental rate will be based on prevailing rate in the area.

Documentation requirement: Canvass report showing rental rates from at least three establishments.

- c. **Services and Professional Expertise.** If the assistance is in the form of resource persons for lectures, workshops, hands-on training, orientation, supervisory work and the like, the amount of the contribution or donation shall be based on the value of services rendered as agreed upon by the Private Sector partner, the concerned office of the DepEd and the public school, as stated in the Memorandum of Agreement or the actual expenses incurred by the Private Sector partner, whichever is lower.

**Formula for computation :**

Compensation rate (per hour) based on the last declared income from the same nature of work or service rendered	x	Number of hours rendered	=	Total value of the assistance/ service provided
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Example:

Php 300.00 per hour X 80 hours rendered = Php 24,000.00

Documentation requirement: Payroll or certification of Salary Rate from the Personnel Division, and copy of the Income Tax Return.

- d. **Equipment, machines, and other materials.** If the assistance is in the form of brand new equipment and machines, the amount of the contribution or donation shall be based on the acquisition cost by the Private Sector partner or the actual cost at the time of the donation. However, if said items had already been used, then such valuation take into consideration the depreciated booked value of the donation.

**Formula for computation :**

Acquisition cost of donated equipment or item	x	Number of units or pieces	=	Total value of the donation given
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Example A:

Php 40,000.00 (brand new oven) X 2 units = Php 80,000.00

Documentation Requirement : Official receipt/invoice

Example B:

Php 10,000 (depreciated value of a second-hand-oven) x 2 units = Php 20,000.00

Documentation requirement: Any official document showing the acquisition cost and computation of equipment with depreciated value.

- e. **Land/Real Estate Property.** If the assistance is in the form of real property, the amount of the contribution or donation shall be the zonal value or assessed value of the property at the time of the contribution/donation, as determined pursuant to Section 6(E) of the Tax Code or the book value/depreciated value of the property, whichever is lower. Appraisal increase or appreciation in the value of the asset recorded in the books of account should not be considered in computing the book value of the asset.

**Formula for computation :**

Lot area	x	Zonal value at the time the lot was given or assessed value of the property per sq. meter, whichever is lower	=	Total value of the land or real estate property donated
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Example:

1,000 sq. meters X Php 5,000 per sq. meter = Php 5,000,000

Documentation requirement: Zonal value certification obtained from the BIR

**NOTE:** Value of donations being applied for tax incentive claim will still be subject to BIR's approval.

**VIII. Requirements for Submission of Private Sector Partner for Tax Incentives Availment -**

- a. Letter of intent addressed to the Secretary of Education;
- b. Duly notarized Memorandum of Agreement;
- c. Duly notarized Deed of Donation and Deed of Acceptance;
- d. Official receipts or any document showing the actual value of the contribution/donation;
- e. Certificate of Title and Tax Declaration, if the donation is in the form of real property; and tax clearance certificate and tax declaration issued by the Office of the Assessor. Aside from this, donors should also submit their recent real estate tax receipts;
- f. Other adequate records showing the direct connection or relation of the expenses being claimed as deduction/donation to the adopting



private entity's participation in the program, as well as showing or proving receipt of the donated property.

- g. Documents related to in-kind donations such as time, use of space, professional service or skills, and the like.

### IX. Monitoring and Evaluation

To ensure that the applications for the availment of tax incentives shall be processed expeditiously and efficiently, all concerned parties shall adhere to timelines.

The External Partnerships Service - Adopt-a-School Program (EPS-ASP) Secretariat shall continuously gather feedback on the implementation of the guidelines from all concerned parties, the result of which shall be the basis in enhancing further the policy's provisions and effectiveness.

Activity	Period of Action	Indicative Period/Date	Responsible Party/Office
Preparation, approval and signing of MOA	Two weeks	Weeks before the implementation of the work immersion program	DepEd (or school) and the adopting private entity
Implementation of the program and delivery of the support to schools	One month	After the signing of the MOA, period of which is within a specified school year	Private Sector Partner
Filing of requirements for the tax incentive application	One day	Upon completion of the work immersion program	Private Sector Partner
Review of application and supporting documents	One week	As soon as the documents have been received	DepEd External Partnerships Service - Adopt-a-School Program (EPS-ASP) Secretariat
Preparation of the endorsement paper to the concerned Revenue District Office of BIR	One day	After the review of documents, resulting to the approval of the application	EPS-ASP Secretariat
Release of the BIR endorsement to the	One day	As soon as the tax incentive	EPS-ASP Secretariat

Private Sector Partner		endorsement is approved by the DepEd Secretary.	
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**X. References:**

- a. Republic Act No. 8525 (the Adopt-a-School Act of 1998)
- b. DepEd Order No. 2, s. 2013 entitled Revised Implementing Rules and Regulations of RA 8525 Otherwise Known as the Adopt-a-School Act of 1998
- c. Revenue Regulations No. 10-2013 entitled Implementing the Tax Incentives Provisions of RA 8525 Otherwise Known as the Adopt-a-School Act of 1998
- d. Revenue Memorandum Circular No. 85-2014 entitled Clarifying the Valuation of Contributions or Gifts Actually Paid or Made in Computing Taxable Income
- e. DepEd Order No. 40, s. 2015 entitled Guidelines on K to 12 Partnerships
- f. CSC-DOH Joint Memorandum Circular No. 2010-01 on Protection of the Bureaucracy Against Tobacco Industry Interference

**XI. Effectivity:**

Starting School Year 2016-2017, this policy shall remain in force and in effect, unless sooner repealed, amended or rescinded.

**Enclosure No. 1**

**MEMORANDUM OF AGREEMENT**

This Memorandum of Agreement is entered into this \_\_\_\_ of \_\_\_\_\_, 20\_\_\_\_ in \_\_\_\_\_, by and between:

The <NAME OF SCHOOL>, with School Identification Number \_\_\_\_\_ a public high school, with principal address at \_\_\_\_\_, represented in this Agreement by its <Position>, <Name>, <nationality> of legal age, and hereinafter referred to as the SCHOOL;

-and-

The <NAME OF COMPANY>, duly constituted and registered in the Philippines, with principal address at \_\_\_\_\_, represented in this Agreement by its <Position>, <NAME>, <NATIONALITY>, of legal age, hereinafter referred to as the "COMPANY".

**WITNESSETH:**

**WHEREAS**, the Department of Education of the Philippines, hereinafter referred to as "DepEd", is the primary government instrumentality mandated to formulate, implement, and coordinate policies, plans, programs and projects in the areas of formal and non-formal basic education; supervise all elementary and secondary education institutions, including alternative learning systems, both public and private; and provide for the establishment and maintenance of a complete, adequate, and integrated system of basic education relevant to the goals of national development;

**WHEREAS**, the DepEd has introduced the K to 12 Basic Education Program that includes Senior High School, hereinafter referred to as "SHS", with the major objective of ensuring that graduates of basic education are ready for employment, entrepreneurship and higher learning;

**WHEREAS**, the SHS curriculum can be customized at the local levels to take into consideration the needs of local industries and the labor market;

**WHEREAS**, the DepEd believes that for the effective delivery of SHS instruction, there is a need for school-industry partnerships that will provide the school the necessary expertise and venue for practical, on-the-job, enterprise-based training for SHS learners;

**WHEREAS**, the DepEd will start full implementation of SHS in School Year 2016-2017;

**WHEREAS**, the SCHOOL is among those that will offer SHS to students in the community to carry out DepEd's objectives for SHS as spelled out above;

**WHEREAS**, to achieve this objective, the SCHOOL needs to enter into a Work Immersion Partnership with the COMPANY;

**WHEREAS**, the COMPANY operates in the area where the School is located and has offices, facilities, project sites, and expertise that it can make available to the School for purposes of student work immersion;

**WHEREAS**, the COMPANY considers going into a work immersion partnership with the School as part of its mission to create a positive impact on the community, especially the young people;

**WHEREAS**, the COMPANY as a donor is entitled to apply for the availment of tax incentives as provided under Republic Act No. 8525 otherwise known as the Adopt-A-School Act of 1998 and as provided under Revenue Regulations No. 10 s. 2003, Implementing the Tax Incentives Provision of RA 8525.

**WHEREAS**, the SCHOOL and the COMPANY, hereinafter collectively referred to as "the parties", undertake to collaborate for the successful implementation of the SHS in <Municipality> cognizant of the need for special protection of the child and with the best interest of the SHS learner at heart.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the PARTIES hereby agree as follows:

#### **DESCRIPTION OF THE WORK IMMERSION PROGRAM**

With the passage of the Republic Act No. 10533, the Enhanced Basic Education Act of 2013, the DepEd was tasked to implement the K to 12 Program, including the addition of two (2) years to the secondary education with SHS;

The DepEd designed the implementation of RA 10533 within the framework of increased community involvement in the learner's experience;

With this premise, the DepEd, offers venues for various stakeholders to participate in the implementation of RA 10533 and, the same offer, accepted by the PARTIES herein;

The Work Immersion Program is one of the specialized subjects in SHS. A SHS student may undergo work immersion in a business organization or establishment with work requirements related to the specialization. Through work immersion, the students are exposed to and are familiarized with the work-related environment related to their field of specialization. Specifically, the students are able to:

1. Gain relevant and practical industrial skills under the guidance of industry experts and workers;

2. Appreciate the importance and application of the principles and theories taught in the classroom;
3. Enhance their technical knowledge and skills;
4. Prepare them to meet the needs and challenges of employment, entrepreneurship, or higher education after their graduation.

## **I. OBJECTIVES OF THE WORK IMMERSION PARTNERSHIP**

The Work Immersion Partnership has the following objectives:

1. To supplement the formal curriculum of the SHS program with special inputs coming from the COMPANY experts and practitioners in order to make the SHS program aligned and consistent with work standards;
2. To develop in the SHS students the knowledge and skills that are relevant to the needs of the job market in the area;
3. To provide SHS students relevant learning experiences by giving them exposure to the actual workplace ; and
4. To allow the students the students, faculty, and staff of the schools concerned the use of and access to the COMPANY workplace and equipment as part of their Work Immersion Program.

## **II. RESPONSIBILITIES OF THE PARTIES**

### **A. Joint Responsibilities**

Both the SCHOOL and the COMPANY shall:

1. Create a joint working group that will prepare the action plan to operationalize the partnership.
2. Form a joint steering committee to monitor the progress of the partnership and to make sure that the provisions of this Memorandum of Agreement (MOA) are met.
3. Adhere to all laws, memoranda and circulars pertaining to child protection.
4. Adhere to all laws, memoranda and circulars on acceptance of financial assistance as donation. (See Annex A of this MOA for the procedural requirement on the acceptance and utilization of funds as donation.)
5. Using the SHS Curriculum Guide for Immersion as basis, develop the students' Work Immersion module specifying goals and objectives, desired outcomes of the program and how these outcomes will be achieved, also noting the specific

knowledge, skills, attitudes and competencies that the student should acquire after completing the program.

6. Develop a Work Immersion Daily Schedule of Activities that will be followed by the students during the whole duration of the Work Immersion Program.
7. Formulate local school work immersion policies and guidelines on selection, placement, monitoring, and assessment of students (*immersion participants*), in order to ensure that each student is assigned to an immersion partner matched to his/her desired track, qualifications and aptitude.

**B. Responsibilities of the School**

The SCHOOL shall:

1. Identify and indicate the SHS track/s, strand/s, and/or specialization/s which will be the subject of the partnership.
2. Make the needed adjustments to contextualize the SHS subjects based on inputs coming from the COMPANY.
3. Designate a person who will be in-charge of coordinating with the COMPANY and supervising the activities of the students for the duration of the Work Immersion Program.
4. Continue to exercise its Special Parental Authority under the Family Code over the Senior High School student under immersion in the premises of the partner.
5. Monitor each student's progress throughout the duration of the entire work immersion program so as to make sure that the tasks assigned to each student are meaningful, challenging, and applicable to his/her particular programs and are able to maximize the quality of the learning experience.
6. Provide the COMPANY an evaluation tool for the students' immersion performance.
7. Issue a final grade to the student upon completion of the requirements within a prescribed period.
8. Ensure that the student will adhere to the non-disclosure policies of the COMPANY as agreed to by the School.
9. Provide signed Consent forms from the parents as applicable.
10. Provide the COMPANY a Certificate of Participation in the SHS program for whatever purpose it may serve.

11. Execute a deed of acceptance as a way of recognizing and acknowledging the donation/s received from the COMPANY.
12. Ensure proper recording of the property or material support received, through coordination with either the school custodian or division supply officer.
13. Coordinate with the DepEd Central Office Adopt-a-School Program Secretariat the application of donor for review and endorsement on tax incentive entitlement to the concerned Revenue District Office.

**C. Responsibilities of the Company :**

The COMPANY shall:

1. Assign a competent Immersion Coordinator from the COMPANY to liaise with the School and supervise the students without prejudice to the special parental authority of the school, its administrators and teachers for the duration of the work immersion program so as to ensure efficient implementation of all stages of the program.
2. Provide inputs into the curriculum through the discussions or workshops that DepEd will organize.
3. Lend its expertise by making available its resident resource persons to provide training to the students.
4. Allow the students to be deployed to the different sections/departments/project sites of the COMPANY based on the Work Immersion Daily Schedule of Activities.
5. Agree to the required number of hours of the immersion program set under the DepEd SHS curriculum.
6. Provide immersion opportunities for <number of students> students for School Year 2016-2017.
7. Provide students with an orientation about the COMPANY, its line of business, and the work its employees do, and expose them to the various stakeholders of the community in which the COMPANY operates for the students to get a holistic understanding of its business.
8. Similarly ensure that students undergo training related to their course, and provide the students with work or activities that are varied and applicable to their field of study.
9. Make its workplace and facilities available to students, and shall similarly take all necessary action to ensure the safety of students within their areas of operation at

all times, which shall include, but shall not be limited to, the provision for Personal Protective Equipment (PPEs), if applicable. Ensure that the students will not be exposed to hazardous materials and working environment throughout the duration of the immersion.

10. Evaluate students' performance in the immersion venue by accomplishing the provided evaluation tool.
11. Issue a Certificate of Completion to the student trainees upon satisfactory compliance with all requirements of the program.
12. Execute a deed of donation in favor of DepEd for the completed Work Immersion Partnership.
13. Submit to the DepEd Central Office Adopt-A-School Program Secretariat all pertinent documents in support of the amount specified/claimed for the tax exemption application of the COMPANY.

### III. EFFECTIVITY

This Agreement shall hold for the duration of the <from year to year> School Year and is renewable every year. The COMPANY and the SCHOOL shall submit their intention for renewal of this agreement through formal notice within thirty (30) days before the expiration of this Agreement.

The COMPANY and the SCHOOL reserve their respective rights to terminate their participation in the agreement through formal written notice within thirty (30) days before the effectivity of the termination. Both parties shall turn over all deliverables agreed thereto in the Work Immersion Program. Termination shall be subject to the mutual agreement between the parties.

### IV. PROGRAM COST

The estimated cost of the assistance provided for the school within the agreed term is Php\_\_\_\_\_.

Breakdown of the cost:

Details	Cost
_____	_____
_____	_____
_____	_____
Total	_____



#### **IV. LIABILITY**

The school, its administrator and teachers exercising authority and supervision over the Senior High School Student undergoing immersion in the premises of the partner may be held accountable for the student's acts.

Each party shall answer for losses and damages arising from any accident, act, or omission directly attributable to its fault or negligence, which may cause death or bodily injury to any persons, or loss or damage to property, by or on account of the performance of the respective obligations by the parties pursuant to this Agreement. Such responsibility shall continue to remain that of the responsible party's even after the termination of this agreement, if such losses and damages were incurred during the effectivity of this agreement.

DepEd shall not be liable for opportunity losses of the COMPANY during the duration and after the termination of this agreement.

#### **V. NON-DISCLOSURE PROVISION**

It is expressly understood by DepEd and the students that all information on technology, manufacturing process, process standards, quality assurance methodologies, quality standards, production capabilities, raw material purchasing, marketing, finance, and all other related documents, manuals, operational and technical matters that the COMPANY shall make available to them shall be used for the sole purpose of student training. All of these matters are classified as confidential in nature and proprietary to the COMPANY and thereby each student hereby undertakes to prevent transfer of such information to any party outside of the COMPANY.

#### **VI. OTHER PROVISIONS**

It is expressly understood by the PARTIES that the COMPANY is not obliged to pay wage or salary since there is no employer-employee relationship that exists. However, the COMPANY is not precluded from providing the student with any monetary or financial assistance in the form of transportation fee, food allowance, etc.

In determining the existence of an employer-employee relationship, the following elements are considered: (1) the power to hire; (2) the payment of wages; (3) the power to dismiss, and (4) the power to control the employee's conduct, with the control test generally assuming primacy in the overall consideration.

No employer-employee relationship exists between the student and the partner in work immersion if all the following criteria are met:

1. The training, even though it includes actual operation of the employer's facilities, is similar to training provided in an educational program;
2. The training is for the benefit of the student;
3. The student does not displace regular employees, and works under close supervision;

4. The students are not entitled to a job at the conclusion of the training period and are free to take jobs elsewhere in the same field;
5. Any training is performed under the supervision and direction of people who are knowledgeable and experienced in the activity;
6. The training is general, and qualifies the student to work in any similar business. It is not designed specifically for a job with the employer that offers the program;
7. The screening process for the immersion program is not the same as for employment, and does not appear to be for that purpose. The screening only uses criteria relevant for admission to an independent educational program; and
8. Advertisements, posting, or solicitations for the program clearly discuss education or training, rather than employment, although employers may indicate that qualified graduates may be considered for employment.

This Agreement may be revised, amended or modified only through a written instrument duly executed and signed by all parties.

FOR THE SCHOOL:

FOR THE COMPANY:

\_\_\_\_\_  
 <NAME>  
 <POSITION>

\_\_\_\_\_  
 <NAME>  
 <POSITION>

WITNESSED BY:

\_\_\_\_\_  
 APPROVED BY:

\_\_\_\_\_  
 <NAME>  
 <POSITION>  
 <DEPARTMENT>

**Procedure in Accommodating and Utilizing Financial Assistance  
as Donation**

**A. On Receiving the Fund**

1. The DepEd schools division office or school receives the financial assistance as donation from the Private Sector partner.
2. The DepEd schools division office or school deposits the fund as donation to the Bureau of Treasury (BTr).
3. The DepEd schools division office or school secures the Certification of Deposit from the BTr.

**B. On Utilizing the Fund**

1. The DepEd schools division office or school requests the Department of Budget and Management (DBM) for the issuance of Notice of Cash Allocation and for the release of funds.
2. The DepEd schools division office or school implements the program as planned using the released funds from DBM.<sup>1</sup>
3. The DepEd schools division office or school provides the Private Sector partner and DBM report on expenditures arising from the implementation of the program.

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<sup>1</sup> Purchase of goods, items, including services should adhere to the provisions of Republic Act No. 9184 otherwise known as the Government Procurement Reform Act and its revised Implementing Rules and Regulations. Likewise, payment of goods, commodities and services shall be in accordance with pertinent accounting and auditing rules, and regulations.

- nothing follows -

## GUIDELINES ON THE PROPER RECORDING OF ALL DONATED PROPERTIES

### I. The Duties and Responsibilities of Donee

The Donee or the office which the donated properties/items are donated will be provided by the donor of Deed of Donation which states all the agreements between the Donor and the Donee. This Deed of Donations must be properly signed and notarized.

A copy of the signed and notarized Deed of Donation shall be furnished to the Property Division/Supply Unit and Accounting Division/Unit for proper recording.

Sound accounting principle states that, donated assets shall be recorded at cost, when determinable at the time of donation, the exchange value, fair market value or appraised values of assets, when cost is not available.

### II. Duties and Responsibilities of Property Division/Supply Unit

Upon receipt of the Deed of Donation, the Property Division will record the donated properties/items to the property card or stock card then include in the inventory report.

If the donated property/items will be transferred to regional offices, division office or to different schools, Property Division will prepare an Invoice Receipt of Property (IRP) to record the transfer of accountability to another accountable and responsible officer. IRP must be signed by the Undersecretary for Finance and Administration and the Head of the recipient office/school.

All signed IRPs must be returned to the Property Division/Supply Unit for recording the transfer and deduction to the Inventory Report.

Property Division/Supply Unit upon receipt of the signed IRPs must give copies of the IRPs to the Accounting Division/Units for dropping of the properties/items from the Books of Accounts.

Based on the IRPs received, the recipient Property Unit will record and include the donated properties/items to their Inventory Report

### III. Duties and Responsibilities of Accounting Division/Unit

Upon receipt of the copy of the Deed of Donation, the Accounting unit shall draw a JEV to record the item in the books and prepare the corresponding Property/Supply Ledger Card.

Based on the IRPs received, the Accounting Division/Unit shall prepare JEV to take up the dropping of the transferred donated property. A copy of which shall be furnished to the Accountant/Bookkeeper of the recipient office/school to be his/her basis in booking up the donations received. In case of transfer or issuance of the item, copy of the IRP from the Property Division would serve as a basis of this office to drop the donated property / item from its books and at the same time record such transfer of accountability to the recipient office via JEV preparation (Property Ledger Card to be updated also).

The information required in Section 8 of RR No. 13-98 shall be stated in a Certificate of Donation (BIR Form 2322) following the format prescribed in Annex "A" of this Circular.

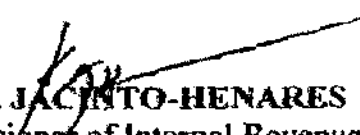
BIR Form 2322 consists of two parts -- a donee certification and a donor's statement of values. The first page of BIR Form 2322 is a certification by the donee that it has received on the date indicated the subject matter (i.e. cash or property) of the donation. It also provides a description of the properties donated. The donee certification must be signed by an authorized representative of the donee organization.

The second page of BIR Form 2322 requires the donor to execute a statement which provides descriptions, acquisition costs, and net book values of the properties donated as reflected in the financial statements of the donor. Moreover, the statement must be accompanied by deed of sale/bill of sale to prove the acquisition cost of the properties. The values declared by the donor in the statement shall still be subject to further confirmation by the Bureau as to its correctness and accuracy. The donor's statement must be signed by the donor or authorized representative.

Finally, under Section 235 of the National Internal Revenue Code of 1997, as amended, any provision of existing general or special law to the contrary notwithstanding, the books of accounts and other pertinent records of tax-exempt organizations or grantees of tax incentives shall be subject to examination by the Bureau for purposes of ascertaining compliance with the conditions under which they have been granted exemptions or tax incentives, and their tax liability, if any.

All other issuances inconsistent herewith are hereby repealed or modified accordingly.

This Circular takes effect immediately.

  
KIM S. JACINTO-HENARES  
Commissioner of Internal Revenue  
028986

K-1-VCC

BUREAU OF INTERNAL REVENUE  
RECORDS MGT. DIVISION

DEC 05 2014

1:35 pm




OCT 24 2011

DepEd ORDER  
No. 82, s. 2011

**GUIDELINES ON THE PROPER RECORDING OF ALL DONATED PROPERTIES**

To: Undersecretaries  
Assistant Secretaries  
Bureau Directors  
Directors of Services, Centers and Heads of Units  
Regional Directors  
Schools Division/City Superintendents  
Heads, Public Elementary and Secondary Schools  
All Others Concerned

1. The Department of Education (DepEd) through the Property Division, Administrative Service issues the enclosed **Guidelines on the Proper Recording of All Donated Properties**, for the compliance of all concerned.
2. For more information, please visit **Ms. Maritess L. Ablay**, Chief, Property Division, Administrative Service, DepEd Central Office at the Teodora Alonzo Building, Ground Floor, DepEd Central Office, Meralco Avenue, Pasig City or contact her at telephone nos.: (02) 535-0551 and (02) 633-7271.
3. Immediate dissemination of this Order is directed.

  
**FRANCISCO M. VARELA**  
Undersecretary  
Officer-in-Charge

Encl.:  
As stated

Reference:  
None

To be indicated in the Perpetual index  
under the following subjects:

INVENTORY  
POLICY  
REPORTS

RSGC/MCR. guidelines on the proper recording of all donated properties



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE

RECORDS MGT. DIVISION

DEC 05 2014

11:35 pm

RECEIVED

December 5, 2014

REVENUE MEMORANDUM CIRCULAR NO. 80-2014

SUBJECT : Clarifying the Valuation of Contributions or Gifts Actually Paid or Made in Computing Taxable Income

TO : All Revenue Officials, Employees and Others Concerned

This Circular is issued to clarify the valuation of contributions or gifts actually paid or made in computing taxable income as part of substantiation requirement under Revenue Regulations No. 13-98.

Section 8 of RR No. 13-98 reads in part:

SECTION 8. Substantiation Requirements. —

(a) For Donors. — Donors claiming donations and contributions to accredited non-stock, non-profit corporation/NGO as deductions from their taxable business income should submit evidences or proofs to the BIR by showing the Certificate/s of Donation and indicating therein the following:

(i) Actual receipt by the accredited non-stock, non-profit corporation/NGO of the donation or contribution and the date of receipt thereof; and

(ii) The amount of the charitable donation or contribution, if in cash; if property, whether real or personal, the acquisition cost of the said property.

*[Handwritten mark]*

*[Handwritten mark]*

