



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Building I, General Solano Street, San Miguel, Manila



NATIONAL BUDGET CIRCULAR

NO. 514
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TO : The Secretary of Education, Bureau and Regional Directors of the Department of Education (DepEd), Schools Division Superintendents, Heads of DepEd Implementing Units and All Others Concerned

SUBJECT : Guidelines on the Grant of Special Hardship Allowance

1.0 PURPOSE

To provide the guidelines on the grant of Special Hardship Allowance under Special Provision No. 1 of DepEd, Republic Act (RA) No. 9401 (FY 2007 General Appropriations Act) and in compliance with Item B. "Financial Assistance to Teachers", Part III. Items for Conditional Implementation, under the President's Veto Message on RA No. 9401.

2.0 COVERAGE

These guidelines shall apply to the following personnel of the Department of Education:

- 2.1 Classroom teachers in elementary and secondary schools and school heads/administrators assigned to a hardship post;
- 2.2 Multi-grade teachers;
- 2.3 Mobile teachers; and
- 2.4 Non-formal Education or Alternative Learning System (ALS) Coordinators.

3.0 DEFINITION OF TERMS

- 3.1 Special Hardship Allowance (SHA) – refers to the allowance granted to qualified teachers under any of the following situations: (1) being assigned to a hardship post; (2) performing multi-grade teaching; (3) carrying out mobile teaching functions; or (4) performing functions of non-formal education (now Alternative Learning System) coordinators. The qualified teachers may either be resident or transient having regular or temporary appointment.

- 3.2 Hardship Post (HP) – refers to public schools or community learning centers located in areas characterized by extraordinarily hard, uncomfortable and extreme difficulties in any of the following conditions:
- 3.2.1 Transport Inaccessibility
- Accessible only by hiking, animal ride, banca ride, or other unusual/irregular means of transportation, partly or wholly from the nearest point of available regular motorized land/water transport (minimum distance of 5 km)
- 3.2.2 Difficulty of Situation
- Place declared calamitous by the President based on National Disaster Coordinating Council (NDCC) recommendation
 - Involves hazards to life, including exposures to armed conflict, to be determined by the Schools Division Superintendent (SDS)
 - Inconvenience of travel due to dangerous terrain, isolation and extreme weather condition to be determined by the SDS
- 3.3 Multi-grade teachers (MGT) – refer to public elementary school teachers handling a class of two or more grades.
- 3.4 Mobile teachers – refer to specialized public school teachers conducting learning sessions using the alternative learning delivery mode who usually move from one station to another in depressed, disadvantaged and underserved communities.
- 3.5 Non-formal Education or ALS Coordinators – refer to a public school teacher who is officially designated by the SDS to perform ALS program coordinating functions in addition to his/her regular duties as learning facilitator.

4.0 GUIDELINES

- 4.1 In consonance with the intention of Section 19 of RA No. 4670 (Magna Carta for Public School Teachers), priority in the payment of Special Hardship Allowance shall be given to classroom teachers in elementary and secondary levels and to school heads/administrators exposed to hardship or extreme difficulty in a place of work as defined in Section 3.2 hereof.
- 4.2 After item 4.1 above has been complied with, only then can teachers, whether having regular or temporary appointments, handling multi-grade classes, mobile teachers, or non-formal education or ALS coordinators, be entitled to Special Hardship Allowance.
- 4.3 SHA shall be given to teachers and school heads/administrators assigned to a hardship post provided that the total SHA shall not exceed twenty five percent (25%) of the annual basic salary. Fraction of an hour of qualified travel and

ratios of days present to total class days shall be reckoned to the nearest peso, provided that qualified travel of less than one third (1/3) of an hour or attendance ratio of less than one is to three (1:3) for the month shall not be compensated. The allowable SHA shall be computed as follows:

SHA = (Basic salary x rate per distance) x number of days present in a month over number of working days in a month; wherein rate per distance is shown hereunder:

Distance*	Rate per distance (% of basic salary)
5-10 km	15%
11-20 km	20%
21 km & above	25%

* Distance in kilometers of the hardship post from the nearest point of available regular motorized land/water transport

Example: $(P10,933.00 \times 15\%) \times (17/22)$
 $= P1,639.95 \times 0.77$
 $= P1,262.76$

Wherein: P10,933.00 = basic salary
 15% = rate corresponding to the distance of the hardship post
 17 = number of days present in a month
 22 = total number of working days in a month

4.4. For multi-grade teachers, mobile teachers and non-formal education or ALS coordinators:

4.4.1 For multi-grade teachers, the SHA shall be paid as follows:

Handling classes of 2 grades	15% of basic salary
Handling classes of 3 grades	20% of basic salary
Handling classes of 4 or more grades	25% of basic salary

The SHA shall be withdrawn as soon as the MGT transfers to a single grade class or when the multi-grade class is converted to a single grade due to increase in enrolment and the subsequent assignment of an additional teacher.

4.4.2 For Mobile Teachers and Non-Formal Education or ALS Coordinators:

Handling 1 learning level	15% of basic salary
Handling 2 different learning levels	20% of basic salary
Handling 3 or more learning levels	25% of basic salary

Wherein: the learning levels refer to:


- a. Basic Literacy
- b. Elementary Level
- c. Secondary Level
- d. Special Projects, i.e., income-generating projects; projects involving hearing impaired, informal education for parents or indigenous people.

5.0 FUNDING SOURCE AND RELEASE OF FUNDS

- 5.1 The amount necessary for payment of SHA shall be sourced from the following:
- a. Allotment under the regional lump-sum of DepEd specifically provided for this purpose in the annual General Appropriations Act;
 - b. Savings of the school/schools division office and DepEd Regional Office (RO) concerned for the current year in case of funding deficiency; and
 - c. Overall savings of DepEd for the current year in case of further funding deficiency.
- 5.2 The DBM Regional Offices shall release the funds for SHA to the DepEd RO/schools division office/school in accordance with the Direct Release of Funds System for DepEd.

6.0 Effectivity

These guidelines shall take effect retroactive January 1, 2007.


ROLANDO G. ANDAYA, JR.
Secretary