



Republic of the Philippines
Department of Education

REGION IV- A CALABARZON
CITY SCHOOLS DIVISION OF THE CITY OF TAYABAS

15 October 2025

DIVISION MEMORANDUM
No. 728 s. 2025

AMENDMENT TO DEPED ORDER NO. 40, S. 2014
(Establishment, Merging, Conversion, and Naming/Renaming of Public
Schools, and Separation of Public School Annexes in Basic Education)

To: Assistant Schools Division Superintendent
Chief Education Supervisors
Heads, Public and Private Elementary and Secondary Schools
Heads, Unit/Section
All Others Concerned

1. In reference to the **DepEd Order No. 033, s. 2025** titled **Amendment to DepEd Order No. 40, s.2014**, this Office announces the above subject.
2. Attached is a copy of the DepEd Memorandum for your reference.
3. Immediate dissemination of this Memorandum is desired.

For:

CELEDONIO B. BALDERAS JR.
Schools Division Superintendent

By:

HERBERT D. PEREZ
Assistant Schools Division Superintendent
Officer-in-Charge

Encl.: As stated

References: DepEd Order No. 033, s. 2025 and DepEd Order No. 40, s.2014

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

POLICY
RULES AND REGULATIONS
SCHOOLS

SGOD- amendment to deped order no. 40, s. 2014 (establishing, merging, convention and naming / renaming of public schools, and separation of public school annexes in basic education)
REC9ON30-006626/October 15, 2025



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Republic of the Philippines
Department of Education

OCT 09 2025

DepEd ORDER
No. **033**, s. 2025

AMENDMENT TO DEPED ORDER NO. 40, s. 2014

(Establishment, Merging, Conversion, and Naming/Renaming of Public Schools,
and Separation of Public School Annexes in Basic Education)

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

1. The Department of Education (DepEd) issued DepEd Order (DO) No. 40, s. 2014 titled Establishment, Merging, Conversion, and Naming/Renaming of Public Schools, and Separation of Public School Annexes in Basic Education, to provide comprehensive guidelines to streamline, synchronize, and update the aforementioned work processes.
2. To further promote decentralization and capacitate schools in handling their funds, especially with the increase of the school Maintenance and Other Operating Expenses (MOOE) funds, there is a need to revise the criteria for the conversion of schools, whether elementary or secondary schools, from non-implementing units (non-IUs) to implementing units (IUs).
3. In view of the foregoing, the following provision of DO 40, s. 2014 shall be amended as follows:

Section VI. Procedures

A. General Guidelines

2.1. Annex A shall remain in effect for the processing of requests for the establishment, merging, and conversion of public schools and separation of public school annexes, except for the conversion of schools to IUs, which shall follow the attached Enclosure.

A.4 On Conversion of Schools

- a. Conversion of a School without Fiscal Autonomy (Non-IU) into a School with Fiscal Autonomy (IU)**

1. A school without fiscal autonomy may be converted into an IU, subject to the conditions set under Part VI, Item B.4.a of these guidelines.
2. The DepEd Central Office (CO), through the Bureau of Human Resource and Organizational Development-School Effectiveness Division (BHROD-SED), shall identify schools that have met the criteria for conversion to IUs based on the Electronic School Form 7 (eSF7) and list of schools classified as IUs and non-IUs from the Finance Service-Budget Division (FS-BD). If the schools do not have organization codes, the FS-BD shall request issuance from the Department of Budget and Management (DBM). If the schools have existing organization codes, the FS-Accounting Division shall request activation from the DBM.

B. Criteria and Necessary Documents for Submission

B.4. Conversion of Schools

- a. **Conversion of a School Classified as a Non-IU into a School Classified as IU**

The school must meet the following criteria:

1. **The school must have an organization code issued by the DBM.**
2. **The school must have an incumbent filled up principal position.**
3. **The school must have designated financial staff (bookkeeper and disbursing officer). The DepEd CO BHROD-SED shall endeavor to provide the ideal financial personnel complement per school.**

- b. **The DepEd CO FS, Finance Division of the regional offices and schools division offices, with the assistance of the National Educators' Academy of the Philippines, shall provide technical assistance to schools to capacitate them to comply with the submission of financial reports to oversight agencies such as the Commission on Audit, DBM, Department of Economy, Planning, and Development, House of Representatives, and Senate of the Philippines, among others.**

4. Annexes C-4a and D-4a of DO No. 40, s. 2014 are repealed. All other provisions of DO 40, s. 2014 shall remain in effect. Any related issuances, rules, and regulations that are inconsistent with this Order are repealed, rescinded, or amended accordingly.

5. This Order shall take effect immediately upon its approval, issuance, and publication on the DepEd website. Certified copies of this Order shall be registered with the Office of the National Administrative Register (ONAR) at the University of the Philippines Law Center (UP LC), UP Diliman, Quezon City.

6. For more information, please contact the **Office of the Undersecretary for Finance**, Department of Education Central Office, DepEd Complex, Meralco Avenue, Pasig City, through email at usec.financebpm@deped.gov.ph.

7. Immediate dissemination of and strict compliance with this Order is directed.

[Redacted Signature]

SONNY ANGARA

 Secretary

Encl.:

As stated

Reference:

DepEd Order No. (40, s. 2014)

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

AMENDMENT
BUREAUS AND OFFICES
POLICY
PROGRAMS
PROJECTS
RULES AND REGULATIONS
SCHOOLS





GENERAL PROCEDURE
*Processing of Conversion of Schools from
Non-Implementing Units to Implementing Units*

FLOWCHART

