



Republic of the Philippines
OFFICE OF THE PRESIDENT
COMMISSION ON HIGHER EDUCATION

CHED MEMORANDUM ORDER

No. 29
Series of 2006

SUBJECT: IMPLEMENTING RULES AND REGULATIONS FOR CHED SCHOLARSHIP AND GRANTS-IN-AID PROGRAMS

It is a mandated function of the State as provided for in the Philippine Constitution *"to protect and promote the right of all citizens to quality education at all levels, and take appropriate steps to make such education accessible to all (Art. XIV Section 1) and "to establish and maintain a system of scholarship grants, student loan program, subsidies, and other incentives which shall be available to deserving students in both public and private schools, especially to the underprivileged" (Art XIV, Sec. 2 (3))*

In accordance with the Constitutional mandate and the pertinent provisions of Republic Act 7722, otherwise known as the "Higher Education Act of 1994", and in pursuit of the goals for "Access and Equity, Efficiency and Effectiveness, Relevance and Responsiveness, and Quality and Excellence", the Commission on its 275th en banc meeting adopted Resolution No. 338-2006, approving the Implementing Rules and Regulations for CHED Scholarship and Grants-In-Aid Programs.

I. OBJECTIVES:

This set of guidelines aims to define the responsibilities, accountabilities and procedures of the Offices concerned in the implementation and administration of scholarship and grants-in-aid programs in order to:

1. Objectively select the most deserving scholars and grantees;
2. Raise the efficiency in the delivery of services and financial assistance to scholars and grantees;
3. Ascertain that scholars are enrolled in CHED-selected higher education institutions and in priority programs.

II. COVERAGE

The guidelines apply to the following programs:

A. Scholarship Programs

1. National Scholarship Program (NSP) – This Program otherwise known as the "State Scholarship Program" is intended for the poor but academically bright Filipino students who got the highest scores in the National Scholarship Qualifying Examination.

2. Regional Scholarship Program (RSP)

- 2.1 RSP 1 is the "Private Education Student Financial Assistance (PESFA) Program" intended for the poor but academically bright students enrolled in private higher education institutions.
- 2.2 RSP 2 is for the poor but academically bright students enrolled in public higher education institutions.

B. Grants-In-Aid Programs

1. Study Grant Program for Indigenous and Ethnic Peoples (SGP-IEP) – This Program is formerly the National Integration Study Grant Program (NISGP) and the Selected Ethnic Group Educational Assistance Program (SEGEAP) intended for the qualified members of indigenous and ethnic communities.
2. OPAPP-CHED Study Grant Program for Rebel Returnees – This Program is for the qualified rebel surrenderees and/or their next of kin.
3. Study Grant Program for Former Rebel Officer-Integreees – This Program is for the qualified former officers of rebel groups that signed peace agreements with the Philippine government intending to join the Armed Forces of the Philippines.
4. Study Grant Program for Solo Parents and their Dependents – This Program is for the qualified solo parents and their children.
5. DND-CHED-PASUC Scholarship Program – This Program is for the qualified dependents of AFP personnel, with highest priority to those who are sons/daughters of personnel who were killed in the actual performance of duty (KIA), complete disability discharged (CDD), wounded or incapacitated in line of duty.
6. CHED-Senate Study Grant Program – This Program is for the deserving students selected by the Office of the Senators.
7. CHED Study Grant Program for Congressional Districts – This Program is for the qualified constituents of the Congressional Districts and Party Lists.
8. Study Grant Program for the Dependents of the Philippine National Police (PNP) Personnel – This Program is for the qualified dependents of PNP personnel, with highest priority to those who are sons/daughters of personnel who were killed in the actual performance of duty (KIA), complete disability discharged (CDD), wounded or incapacitated in line of duty.
9. Study Grant Program for Senior Citizens or Elder Persons – This Program is intended for qualified senior citizens or elderly citizens at least sixty (60) years of age.
10. Private Education Student Financial Assistance (PESFA) - Persons with Disability (PWD) Program – This Program is intended for qualified PWDs enrolled in college. Republic Act 6725 provides that at least 5% of the available slots under PESFA shall be allocated to PWDs.

III. QUALIFICATION REQUIREMENTS

A. General requirements:

- a. Must be a Filipino citizen;
- b. Must be a high School graduate or a candidate for graduation from high school;
- c. Must have a general average of 85%, if applying for scholarship; or 80%, if applying for grant; or lower in the case of applicants for the OPAPP-CHED Study Grant Program for Rebel Returnees and the Study Grant Program for Former Rebel Officer-Integrees;
- d. Combined gross annual income of parents must not exceed Php150,000.00;
- e. Must be of good moral character;
- f. Must not be more than 30 years of age at the time of application, except for programs for rebel returnees and senior citizens.

B. Documentary Requirements

1. Form 138 (photocopy signed by the Principal);
2. Latest BIR Income Tax Return (ITR) of parents;
3. Certificate of Good Moral Character from the high school Principal or Guidance Counselor

C. Additional Requirements:

In addition to the general requirements, each of the Programs has its own qualification and documentary requirements as defined in their respective enabling law or Commission en banc's Resolution and their implementing guidelines in order to cater exclusively to the qualified members of the group or sector the program intended to provide assistance.

IV. FINANCIAL BENEFITS

The package of financial assistance to scholars and grantees are as follows:

A. Scholarship Program

1. National Scholarship Program – Php 15,000.00 per semester
2. Regional Scholarship Program – Php 12,000.00 per semester

B. Grants-In-Aid

1. Study Grant Program for Indigenous and Ethnic Peoples (SGP-IEP) – Php 10,000.00 per semester
2. OPAPP-CHED Study Grant Program for Rebel Returnees – Php 5,000.00 per semester
3. Study Grant Program for Former Rebel Officer-Integrees – Php 5,000.00 per semester
4. Study Grant Program for Solo Parents and their Dependents – Php 7,250.00 per semester
5. DND-CHED-PASUC Scholarship Program – Php 2,500.00 semester

6. CHED-Senate Study Grant Program – Php 2,500.00 per semester
7. CHED Study Grant Program for Congressional Districts – Php 2,500.00 per semester
8. Study Grant Program for the Dependents of the Philippine National Police (PNP) Personnel – Php 5,000.00 per semester
9. Study Grant Program for Senior Citizens or Elder Persons – Php 7,500.00 per semester
10. PESFA- Persons with Disability Program – Php 12,000.00 per semester

NOTE:

The financial assistance stipulated in the CMO shall apply only to the new scholars and grantees starting AY 2006-2007. The on-going scholars and grantees, or those who were awarded scholarship grant prior to issuance of this CMO, shall enjoy the same financial assistance they are receiving.

V. HIGHER EDUCATION INSTITUTIONS AND PRIORITY COURSES

A. Higher Education Institutions

Scholars in the National Scholarship Program and the Regional Scholarship Program shall study only in CHED-selected higher education institutions anywhere in the country.

Grantees in the grants-in-aid programs, unless otherwise provided in their respective implementing guidelines, may study in any CHED recognized higher education institution, preferably in state colleges and universities.

B. Priority Courses

Scholars in the National Scholarship Program and the Regional Scholarship Program shall enroll only in CHED-identified priority courses.

Grantees in the grants-in-aid programs, unless otherwise provided in their respective implementing guidelines, may enroll in any CHED-recognized course of their choice.

VI. SCHOLARSHIP CONDITIONS

1. The grantee shall carry a full semestral/trimestral load as prescribed in the course curriculum and finish within the normal duration of the course;
2. Students under scholarship programs may transfer only in CHED selected HEIs or may shift only in priority courses;
3. Except for meritorious reasons, no grantee shall be allowed to defer enrolment during the semester/trimester;
4. The grantee shall maintain satisfactory academic performance in accordance with the policies and standards of the school;
5. Grounds for termination of scholarship/grant:
 - a) For grantees under the grants-in-aid programs, failure in at least two major academic subjects within a given semester/trimester shall be a cause for termination of study grant;

- b) For scholars under the National Scholarship Program and the Regional Scholarship Program, failure to maintain a general weighted average of 2.5, B or 81% or failure in at least two major academic subjects within a given semester/trimester shall be a cause for termination of scholarship;
- c) For scholars and grantees expelled from the school where they are enrolled in or convicted by a Philippine court for any crime/offense committed shall be a cause for termination of scholarship/grant.

VII. REPLACEMENT OF SCHOLARS AND GRANTEES

The policy of replacement of scholars and grantees is provided for in CHED Resolution No. 681-2005 of the Commission en banc, dated November 11, 2005, as follows:

1. There shall be no filling up of slots vacated by new and on-going scholars/grantees. CHED Regional Offices (CHEDROs) should report to the Office of Student Services (OSS) the names and award numbers of scholars/grantees who dropped out during the school year or whose scholarships/grants were terminated for cause;
2. Scholarships/grants that were not accepted by the qualifiers nor availed of after a period of one semester immediately preceding the receipt of the Notice of Award from the CHED Regional Office (Notice of Award shall be sent through registered mail or hand carried by a courier) and without any request for deferment of their availment from the qualifiers, shall be awarded to other qualified applicants in the waiting list.

NOTE:

The above provisions do not apply to the following Programs due to the prerogative of their respective Scholarship Committees to select and replace their grantees:

- a) CHED Special Study Grant Program for Congressional Districts;
- b) CHED-Senate Study Grant Program;
- c) DND-CHED-PASUC Scholarship Program; and
- d) Study Grant Program for the Dependents of the Philippine National Police (PNP) Personnel

VIII. ADMINISTRATION AND MANAGEMENT

The following are the duties and responsibilities of CHED and the higher education institutions relative to the administration of scholarship and grants-in-aid programs:

A. OFFICES OF CHED, shall:

1. Transfer to HEI financial benefits of the scholars and grantees enrolled during the semester (c/o HEDFS); Provided, however, that the transfer of funds shall be effected if the HEI has already submitted the liquidation report of the previous funds transferred to the Higher Education Development Fund Secretariat (HEDFS)-CHED and that the unutilized/unexpended funds have been deposited to government authorized depository bank;

2. Pay the HEI the operational cost in the administration of the CHED scholarship and grants-in-aid programs (c/o HEDFS) equivalent to two per cent (2%) of the financial assistance provided to CHED scholars and grantees enrolled during the semester;
3. Monitor the HEI in the implementation and administration of various student financial assistance programs of CHED (c/o CHEDRO, OSS and HEDFS);
4. Assist the HEI in giving orientation/briefing to scholars and grantees as regards the policies, standards and guidelines of the student financial assistance programs (c/o CHEDRO);
5. Decide on the termination of financial assistance of scholars/grantees, appeal for reconsideration/reinstatement of terminated scholarship/grant and act on requests for deferment of scholarship/grant utilization, financial assistance for summer and other matters of similar nature (c/o CHEDRO);

B. HIGHER EDUCATION INSTITUTIONS, shall:

1. Create/establish a Student Financial Assistance Unit in the HEI that shall be responsible in the implementation, management and administration of CHED scholarship and grants-in-aid programs;
2. Orient the CHED scholars and grantees enrolled in the school on the policies, standards and guidelines of the programs;
3. Submit to CHEDRO the list of CHED scholars and grantees enrolled during the semester for funding purposes within two (2) weeks after closing of enrolment; the list of those who failed to enroll, dropped out, deferred, whose grade has failures, disciplinary problems, shifted courses, transferred school, etc. before the end of the semester;
4. Provide guidance and counseling services, job assistance and other services and assistance to CHED scholars and grantees (i.e. making representations to the Accounting Office and/or other offices concerned in the school on cases when CHED scholars/grantees are not given examination permit due to the delay of funds from CHED);
5. Release to scholars/grantees stipend and/or other allowances due to them under the Program; debit to the account of individual scholar/grantee his/her financial assistance earmarked for tuition and other school fees;
6. Open a Current Account in a government bank to be used exclusively in the transferring of scholarship funds from CHED to HEI and in depositing unutilized/unexpended scholarship funds during the semester;
7. At the end of the semester, submit to HEDFS, copy furnished CHEDRO and OSS, liquidation report of the funds transferred by CHED certified correct by the Accountant and verified by the State Auditor in-charge of the HEI. Any unutilized/unexpended funds shall automatically be deducted from the ensuing releases;
8. Provide CHEDRO with updated listing of its accredited programs and the CHED-priority courses it is offering;
9. Keep separate accounting records of CHED scholarship funds in accordance with the accounting procedures and COA rules and regulations; and
10. Utilize the funds provided by the CHED exclusively in consonance with the terms and conditions set forth herein, subject to the usual accounting and auditing rules and regulations and the pertinent provisions of COA circular No. 94-013;
11. Recommend to CHEDRO measures to improve the administration of scholarship and grants-in-aid programs.

NOTE:

1. The Commission on Higher Education and the higher education institutions where CHED scholars and grantees are enrolled shall sign a Memorandum of Agreement (MOA) that provides the terms and conditions in the administration of the scholarship and grants-in-aid programs (See Annex B).
2. The following grants-in-aid programs are not included in the procedures in the transfer and release of funds provided above:
 - a. The Study Grant Program for the Dependents of the Philippine National Police;
 - b. The CHED-Senate Study Grant Program;
 - c. The CHED Study Grant Program for Congressional Districts

As provided for in the Memorandum of Agreement with PNP, the CHED (c/o HEDFS) shall directly transfer to the PNP National Headquarters the financial benefits of the grantees enrolled during the semester under the Study Grant Program for the Dependents of the Philippine National Police. The PNP shall provide the Liquidation Report of funds transferred by CHED in accordance with government accounting rules and procedures.

In the CHED Study Grant Program for Congressional Districts and the CHED-Senate Study Grant Program, the Congressman and the Senator concerned has the option to select the modality in the releasing of financial assistance to the grantees, considering convenience and expediency. The modalities of release of financial assistance could be through: a) the HEI; or b) the CHEDRO. The Office concerned shall use the funds exclusively for the purpose and submit the Liquidation Report to CHED (c/o HEDFS) in accordance with government accounting rules and procedures.

IX. MONITORING AND ADMINISTRATIVE COST

To effectively and efficiently administer CHED scholarship and grants-in-aid programs, there shall be provision for monitoring and administrative cost as follows:

1. Three per cent (3%) of the annual budget for scholarship and grants-in-aid grant programs of the Commission, except on the CHED Special Study Grant Program for Congressional Districts, shall be allocated for the monitoring and administrative cost of said programs;
2. The breakdown in the allocation of the three per cent (3%) shall be as follows:
 - a. 2% for higher education institutions that signed a Memorandum of Agreement (MOA) with the Commission on Higher Education to administer the CHED scholarship and study grant programs;
 - b. 0.75% for CHED Regional Offices;
 - c. 0.25% for the Office of Student Services, CHED
3. The 2% allocated to the higher education institution shall be computed on the basis of the total amount of financial assistance due to the scholars and

grantees enrolled during the semester. The amount shall be used for the following purposes:

- a. Maintenance and supplies of the Student Financial Assistance Unit in-charge of administering the Programs;
 - b. Honoraria of Scholarship Coordinator-designates of the school directly involved in the administration of the Programs; and
 - c. Other matters relative to the implementation and administration of the Programs
4. The 1% allocated to the CHED Regional Offices (0.75%) and the Office of Student Services (0.25%) shall be used for the following purposes:
- a. Orientation of Scholarship Coordinators and/or scholars/grantees;
 - b. Monitoring of scholarship and grants-in-aid programs;
 - c. Rendering overtime services on scholarship matters; and
 - d. Purchase of supplies and materials.

X. TRANSITORY PROVISIONS

1. Upon issuance of this CMO, CHEDROs and each of the participating HEIs shall immediately account for CHED scholars and grantees under various programs studying in the school and enrolled during the semester for monitoring and funding purposes. In the scheme, only those who are enrolled during the semester, the list of which submitted by the HEI to the OSS thru the CHEDROs, shall be funded by the HEDFS;
2. Within three (3) school years after the issuance of this CMO, scholarship and grants-in-aid programs alike, shall use NSQE as basis in selecting scholars and grantees; Provided, however, the applicants passed all the other qualification requirements called for in the Program they applied in.

All provisions in previous issuances inconsistent with the provisions of this CMO are deemed repealed, revoked and/or rescinded accordingly. The implementation of this CMO shall commence effective the 1st semester of school year 2006-2007.

For proper guidance and strict compliance of all concerned.

Issued this 20th day of June 2006, Pasig City.

For the Commission:



CARLITO S. PUNO, DPA
Chairman

ANNEX A

OPERATING PROCEDURES

I. APPLICATION FOR SCHOLARSHIP AND GRANT

A. Scholarship

In applying for scholarship, the students shall:

1. Secure application form from the Office of Student Services (OSS), CHED, 3/F NEC Bldg., UP, Diliman, Q.C., CHED Regional Offices, Department of Education Division Offices, Office of the High School Principal or download said form in www.ched.gov.ph or in the appropriate office that has jurisdiction over the sector that the study grant program provides assistance;
2. Submit accomplished application form together with required documents to the CHED Regional Office concerned.

B. Grants-In-Aid

In applying for grants-in-aid, students shall:

1. Secure application form from OSS, CHED Regional Offices or the Offices having jurisdiction over the sector the Program provides assistance as follows:
 - a. Study Grant Program for Indigenous and Ethnic Peoples
 - National Commission for Indigenous Peoples
 - Office of Muslim Affairs (OMA)
 - b. OPAPP-CHED Study Grant Program for Rebel Returnees
 - Office of Presidential Adviser on Peace Process
 - c. Study Grant Program for Former Rebel Officer-Integrees
 - Department of National Defense (Philippine Army)
 - d. Study Grant Program for Solo Parents and their Dependents
 - Department of Social Welfare and Development
 - e. DND-CHED-PASUC Scholarship Program
 - Department of National Defense
 - f. CHED-Senate Study Grant Program
 - Office of the Senators
 - g. CHED Study Grant Program for Congressional Districts
 - Office of the Congressmen and Party List Representatives
 - h. Study Grant Program for the Dependents of the Philippine National Police (PNP) Personnel
 - Philippine National Police
 - i. Study Grant Program for Senior Citizens or Elder Persons
 - Department of Social Welfare and Development
 - j. PESFA-PWD Program
 - CHEDROs
 - National Commission for the Welfare of Disable Persons

2. Submit accomplished application form together with required documents to the CHEDROs and Offices concerned.

II. SCREENING AND SELECTION

A. Scholarship

1. In the screening of applicants for scholarship, the CHED Regional Office shall:
 - a. Pre-screen applicants based on the eligibility criteria (financial and academic qualifications);
 - b. Inform the applicants who meet the qualification requirements and have paid the examination fee about the date, venue and other details of the National Scholarship Qualifying Examination (NSQE); Issue examination stub;
 - c. Submit to the Office of Student Services (OSS-CHED) the names of applicants eligible to take the NSQE.
2. To qualify for scholarship the student applicants shall:
 - a. Take the NSQE at designated date, time and venue.

B. Grants-In-Aid

Grants-in-Aid Programs have their respective Scholarship Committee that screens and select grantees based on the criteria in the guidelines of each Program.

Within three (3) school years after the issuance of CMO No. ____, grants-in-aid programs shall use NSQE in the final selection of grantees that passed all the other qualification requirements called for in the Program they applied in.

III. INFORMATION ON THE RESULT OF NSQE

A. Scholarship

1. The Office of Student Services shall:
 - a. Forward to CHEDROs result of the NSQE, specifically the names of those who qualified with their corresponding award numbers and the scores of the rest of the applicants from the region.
2. The CHEDRO shall:
 - a. Issue Notice of Award (NOA) to the qualifiers
 - b. Inform qualifiers about the Program they are in and related matters they should know (i.e. enrolling at CHED-selected HEIs in identified priority courses, etc.)
 - c. Inform the non-passers of the NSQE about the result

B. Grants-In-Aid

1. The Scholarship Committee of the respective grants-in-aid program shall:
 - a. Submit to the OSS the new grantees of the Program in accordance with the prescribed format;
 - b. Issue Notice of Award (NOA) to the qualifiers;
 - c. Inform qualifiers about the Program they are in and what they should do
2. The OSS shall
 - a. Forward to CHEDRO concerned the list of new grantees under various grants-in-aid programs in accordance with the prescribed format;

IV. ENROLLMENT AND ENLISTMENT OF SCHOLARS AND GRANTEES

1. Scholars and grantees shall:
 - a. Seek admission and enroll in priority courses at any CHED-selected HEI or in school or courses stipulated in the guidelines of the Program they are in.
 - b. Register at the Student Financial Assistance Unit of the HEI, if admitted, and submit a certified true copy of the photocopy of the Notice of Award;

V. TRANSFERRING OF FUNDS

In transferring funds from CHED to HEI, the following procedures shall be observed:

1. The HEI shall:
 - a. Submit to CHEDRO, within two weeks after the closing of enrolment, the list of CHED scholars and grantees (old and new) under various CHED programs enrolled during the semester for funding purposes.
2. The CHEDRO shall:
 - a. Verify/check the status of scholars and grantees in the masterlist submitted by HEI against records;
 - b. Consolidate the masterlist of grantees and other reports submitted by the participating HEIS in the region and forward these to the Office of Student Services in soft and hard copies.
3. The Office of Student Services shall:
 - a. Verify/check that names of scholars and grantees in the masterlists submitted by the region against records;
 - b. Prepare and submit to HEDFS vouchers for funding the financial benefits of scholars and grantees enrolled during the semester;

4. The Higher Education Development Fund Secretariat shall:

- a. Transfer to HEI financial benefits of the scholars and grantees; Provided, however, that the transfer of funds shall be effected if the HEI has already submitted the liquidation report of the previous funds transferred to HEDFS and that the unutilized/unexpended funds have been deposited to the government authorized banks;
- b. Pay the HEI the operational cost in the administration of the CHED scholarship and grants-in-aid programs equivalent to two per cent (2%) of the financial assistance provided to CHED scholars and grantees enrolled during the semester;
- c. Provide notice to OSS and CHEDRO concerned about the fund transferred to HEIs for information and monitoring purposes;

NOTE:

1. The Commission on Higher Education and the higher education institutions where CHED scholars and grantees are enrolled shall sign a Memorandum of Agreement (MOA) that provides the terms and conditions in the administration of the scholarship and grants-in-aid programs (See Annex B).
2. The following grants-in-aid programs are not included in the procedures in the transfer and release of funds provided above:
 - a. The Study Grant Program for the Dependents of the Philippine National Police;
 - b. The CHED-Senate Study Grant Program;
 - c. The CHED Study Grant Program for Congressional Districts

As provided for in the Memorandum of Agreement with PNP, the CHED (c/o HEDFS) shall directly transfer to the PNP National Headquarters the financial benefits of the grantees enrolled during the semester under the Study Grant Program for the Dependents of the Philippine National Police. The PNP shall provide the Liquidation Report of funds transferred by CHED in accordance with government accounting rules and procedures.

In the CHED Study Grant Program for Congressional Districts and the CHED-Senate Study Grant Program, the Congressman and the Senator concerned has the option to select the modality in the releasing of financial assistance to the grantees, considering convenience and expediency. The modalities of release of financial assistance could be through: a) the HEI; or b) the CHEDRO. The Office concerned shall use the funds exclusively for the purpose and submit the Liquidation Report to CHED (c/o HEDFS) in accordance with government accounting rules and procedures.

VI. RELEASING OF FUNDS AND AVAILMENT OF FINANCIAL ASSISTANCE

1. The HEI shall:

- a. Release to scholars/grantees stipend and /or allowances due to them under the Program; debit to the account of the individual scholar/grantee his/her financial assistance earmarked for tuition and other school fees;

2. The scholar/grantee shall:

- a. Sign to the payroll corresponding to the financial assistance received

VII. UTILIZATION AND LIQUIDATION OF FUNDS

1. The HEI shall:

- a. Utilize the funds transferred by CHED exclusively in consonance with the terms and conditions set forth herein, subject to the usual accounting and auditing rules and regulations and the pertinent provisions of COA circular No. 94-013;
- b. Open a Current Account in a government bank to be used exclusively in the transferring of scholarship funds from CHED to HEI and in depositing unutilized/unexpended scholarship funds during the semester;
- c. At the end of the semester, submit to HEDFS, copy furnished CHEDRO and OSS, liquidation report of the funds transferred by CHED certified correct by the Accountant and verified by the State Auditor in-charge of the HEI. Any unutilized/unexpended funds shall automatically be deducted from the ensuing releases;
- d. Keep separate accounting records of CHED scholarship funds in accordance with the accounting procedures and COA rules and regulations.

VIII. MONITORING SCHOLARSHIP AND GRANTS-IN-AID PROGRAMS

1. The HEI shall

- a. Monitor the academic performance of scholars and grantees;
- b. Create, maintain and regularly update the index card of individual scholar/grantee;
- c. Submit to CHEDRO the list of CHED scholars and grantees enrolled during the semester for funding purposes within two (2) weeks after closing of enrolment; the list of those who failed to enroll, dropped out, deferred, whose grade has failures, disciplinary problems, shifted courses, transferred school, etc. before the end of the semester according to prescribed format in hard and soft copies.

2. The CHEDRO shall:

- a. Create, maintain and regularly update the index card of individual scholar/grantee in hard and soft copies;
- b. Conduct regular dialogue/meeting with scholarship coordinators and CHED scholars/grantees;
- c. Check the records of scholars/grantees on file in the school;
- d. Check the status of individual scholar/grantee every semester whether enrolled and in good standing, deferred, dropped out, graduated, etc., or whether he/she is receiving financial assistance promptly;
- e. Check the HEI whether it opened a bank account for scholarship funds, promptly submitted liquidation report to HEDFS and deposit to authorized bank unexpended/unutilized scholarship funds;
- f. Check whether CHED scholars and grantees are enrolled in priority courses in the HEI or in courses specified in their respective program;

- g. Track the whereabouts and status of scholar/grantee-graduates
- 3. The Office of Student Services shall:
 - a. Monitor the CHED Regional Offices relative to the implementation and administration of scholarship and grants-in-aid programs;
 - b. Establish, maintain and regularly update data base of various scholarship and grants-in-aid programs;
- 4. The Higher Education Development Fund Secretariat shall:
 - a. Monitor the utilization of scholarship funds transferred to participating HEIs

IX. OTHER FUNCTIONS

1. CHED Regional Office shall:

- a. Select HEIs in the region in accordance with CMO No. 16 Series of 2002 as amended, where CHED scholars and grantees shall be directed to enroll; facilitate the signing of a Memorandum of Agreement with these HEIs;
- b. Identify the priority courses of the region with the assistance of an inter-agency committee;
- c. Orient the staff of the Student Financial Assistance Unit of HEIs about the policies, standards and guidelines of the various CHED scholarship and grant programs in coordination with CHED-OSS;
- d. Decide on the termination of financial assistance of scholars/grantees, appeal for reconsideration/reinstatement of terminated scholarship/grant and act on requests for deferment of scholarship/grant utilization, financial assistance for summer and other matters of similar nature;
- e. Recommend to OSS measures to improve the system of administration and implementation of the various Programs

2. Higher Education Institutions shall:

- a. Create/establish a Student Financial Assistance Unit in the HEI that shall be responsible in the implementation, management and administration of CHED scholarship and grant programs;
- b. Orient the CHED scholars and grantees enrolled in the school about the policies, standards and guidelines of the scholarship and grants-in-programs;
- c. Provide guidance and counseling services, job assistance and other services and assistance to CHED scholars and grantees (i.e. making representations to the Accounting Office and/or other offices concerned in the school on cases when CHED scholars/grantees are not given examination permit due to the delay of funds from CHED);
- d. Provide CHEDRO with updated listing of its accredited programs and the CHED-priority courses it is offering;
- e. Recommend to CHEDRO measures to improve the administration of the Programs

3. Higher Education Development Fund Secretariat, shall:

- a. Recommend to OSS measures to improve the system of administration and implementation of the various Programs

4. Office of Student Services, shall:

- a. Recommend policies, standards and guidelines of various scholarship and grants-in-aid programs to the Commission en banc in accordance with new developments, monitoring results and feedbacks from the CHEDROs and HEIs;

ANNEX B

MEMORANDUM OF AGREEMENT TEMPLATE

KNOW ALL MEN BY THESE PRESENTS:

This MEMORANDUM OF AGREEMENT made and entered into this ____ day of _____ 2006 by and between:

The COMMISSION ON HIGHER EDUCATION, a government agency at the Executive Department, tasked to oversee tertiary education in the Philippines, with principal address at the 5/F Development Academy of the Philippines Bldg., San Miguel Ave., Ortigas Center, Pasig City, represented by its Chairman, Dr. CARLITO S. PUNO, hereinafter referred to as the "CHED".

and

The _____, a duly recognized (public/private) higher education institution with office address at _____ herein represented by its President _____ and hereinafter referred to as "HEI".

WITNESSETH

WHEREAS, in accordance with the constitutional mandate and the pertinent provisions of Republic Act 7722, the "Higher Education Act of 1994", one of the goals of CHED is to broaden the access of the poor but bright Filipino students to quality higher education thru scholarships, grants and loans;

WHEREAS, in pursuit of the thrusts for "quality and excellence" and "relevance and responsiveness" CHED Memorandum Order (CMO) No. 16 Series of 2002 as amended, direct CHED scholars and grantees to enroll at CHED-selected higher education institutions in identified priority courses;

WHEREAS, CHED believes that its scholarship programs and grants can be effectively and efficiently administered and properly implemented with the assistance and cooperation of selected higher education institutions (HEIs);

WHEREAS, _____ is one of the HEIs selected by the CHED Regional Office _____, pursuant to the provisions of CMO No. 16 S. 2002, to be partner of CHED in the administration of its scholarship and grant programs;

NOW THEREFORE, for and in consideration of the foregoing premises, and the terms and conditions herein under provided, the Chairman, CHED and the President, _____ hereby enter into this Agreement:

I. DUTIES AND RESPONSIBILITIES OF CHED AND HEI

A. OBLIGATIONS OF CHED

1. Transfer to HEI financial benefits of the scholars and grantees enrolled during the semester (c/o HEDFS); Provided, however, that the transfer of funds shall be effected if the HEI has already submitted the liquidation report of the previous funds transferred to the Higher Education Development Fund Secretariat (HEDFS)-CHED and that the unutilized/unexpended funds have been deposited to government authorized depository bank;
2. Pay the HEI the operational cost in the administration of the CHED scholarship and grants-in-aid programs (c/o HEDFS) equivalent to two per cent (2%) of the financial assistance provided to CHED scholars and grantees enrolled during the semester and shall be used for the following purposes:
 - a) Maintenance and supplies of the Student Financial Assistance Unit of the HEI administering CHED scholarship and grant programs;
 - b) Honoraria of Scholarship Coordinator-designates of the HEI directly involved in the administration of the programs; and
 - c) Other matters relative to the implementation and administration of the programs in the HEI.
3. Monitor the HEI in the implementation and administration of various student financial assistance programs of CHED (c/o CHEDRO, OSS and HEDFS);
4. Assist the HEI in giving orientation/briefing to scholars and grantees as regards the policies, standards and guidelines of the student financial assistance programs (c/o CHEDRO);
5. Decide on the termination of financial assistance of scholars/grantees, appeal for reconsideration/reinstatement of terminated scholarship/grant and act on requests for deferment of scholarship/grant utilization, financial assistance for summer and other matters of similar nature (c/o CHEDRO);

B. OBLIGATIONS OF HEI

1. Create/establish a Student Financial Assistance Unit in the HEI that shall be responsible in the implementation, management and administration of CHED scholarship and grants-in-aid programs;
2. Orient the CHED scholars and grantees enrolled in the school on the policies, standards and guidelines of the programs;
3. Submit to CHEDRO, within two weeks after the closing of enrolment, the list of CHED scholars and grantees enrolled during the semester for funding purposes as well as the list of those who failed to enroll, dropped out, deferred, whose grade has failures, disciplinary problems, shifted courses, transferred school, etc.;

4. Provide guidance and counseling services, job assistance and other services and assistance to CHED scholars and grantees (i.e. making representations to the Accounting Office and/or other offices concerned in the school on cases when CHED scholars/grantees are not given examination permit due to the delay of funds from CHED);
5. Release to scholars/grantees stipend and/or other allowances due to them under the Program; debit to the account of individual scholar/grantee his/her financial assistance earmarked for tuition and other school fees;
6. Open a Savings Account in a government bank to be used exclusively in the transferring of scholarship funds from CHED to HEI and in depositing unutilized/unexpended scholarship funds during the semester;
7. At the end of the semester, submit to HEDFS, copy furnished CHEDRO and OSS, liquidation report of the funds transferred by CHED certified correct by the Accountant and verified by the State Auditor in-charge of the HEI. Any unutilized/unexpended funds shall automatically be deducted from the ensuing releases;
8. Provide CHEDRO with updated listing of its accredited programs and the CHED-priority courses it is offering
9. Keep separate accounting records of CHED scholarship funds in accordance with the accounting procedures and COA rules and regulations; and
10. Utilize the funds provided by the CHED exclusively in consonance with the terms and conditions set forth herein, subject to the usual accounting and auditing rules and regulations and the pertinent provisions of COA circular No. 94-013;
11. Recommend to CHEDRO measures to improve the administration of scholarship and grants-in-aid programs.

II. TERMINATION AND BREACH

Before the actual completion of any of CHED's scholarship and study grant programs being administered by the HEI, this Agreement may be terminated due to the following grounds/reasons:

1. Refusal/failure of the HEI without any justifiable reason to comply with any of the provisions of this Agreement;
2. Misrepresentation or fraud by the faculty and staff of the school or by student beneficiaries; and
3. For other similar just causes and grounds.

III. AMENDMENTS

The parties hereto, may upon mutual consent, amend or modify this Agreement by or through an addendum signed by all parties which shall form as integral part hereof.

IV. EFFECTIVITY

This Agreement shall take effect immediately upon signing by all parties concerned.

IN WITNESS WHEREOF, the parties have hereunto signed this Memorandum of Agreement this ____ day of _____ 2006 at _____.

For CHED:

For HEI:

CARLITO S. PUNO, DPA
Chairman, CHED

President, _____

SIGNED IN THE PRESENCE OF:

Director IV, CHEDRO ____

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES) S.S.
CITY OF _____

BEFORE ME, a Notary Public for and in _____
this ____ day of _____ 2006 personally appeared:

Community Residence Certificate			
Name	Number	Date Issued	Place of Issue
Carlito S. Puno			

Known to me as the same persons who executed the foregoing Agreement and acknowledged to me that the same is their free and voluntary act and deed and that of the principals represented by them.

I further acknowledge that this instrument, including the foregoing Agreement and this page on which this acknowledgment is written, consists of _____ () pages, all signed by the parties and their witnesses and sealed with my notarial seal.

WITNESS MY HAND AND SEAL on the date and place first above written.

Notary Public

Doc. _____
Page No. _____
Book No. _____
Series _____