

Republika ng Pilipinas
(Republic of the Philippines)
MINISTRI NG EDUKASYON AT KULTURA
(MINISTRY OF EDUCATION AND CULTURE)
Maynila

April 10, 1979

MEC O R D E R
No. 19, s. 1979

GUIDELINES ON INCREASE OF SCHOOL FEES
OF PRIVATE EDUCATIONAL INSTITUTIONS
FOR THE SCHOOL YEAR 1979-80

To: Bureau Directors
Regional Directors
Schools Superintendents
Heads of Private Schools, Colleges
and Universities

In line with the directive of His Excellency, President Ferdinand E. Marcos of March 30, 1979, and consistent with the applicable policies and rules on the matter previously issued by this Office, the following guidelines governing increase of approved rates of tuition and other school fees of private schools for the school year 1979-80 are hereby prescribed for strict observance:

RULE I - GENERAL PROVISION

Sec. 1. Categories of Increase. - Subject to the provisions and conditions or limitations embodied in this Order, there may be allowed corresponding increases in the approved rates of tuition and other school fees of private schools in accordance with the following categories:

- a. An increase in school fees up to a maximum of ₱250.00 for one school year for pre-elementary, elementary, and secondary schools; ₱300.00 per course or term for vocational and technical schools; and ₱15.00 per unit and ten (10%) per cent of approved current miscellaneous fees for one term for collegiate courses, for all private schools wherein the existing approved rates are still below such amounts as of the school year 1978-79;



- b. An across-the-board increase of ten (10%) per cent for all private schools wherein the current approved aggregate school fees for one term or per unit are in excess of the corresponding amounts indicated above; and
- c. Any increase over ten (10%) per cent but not exceeding 15% of approved current school charges for quality and for priority programs or courses in the context of national development shall be dealt with on a case-to-case basis.

Sec. 2. Purpose of Increase. - The purposes for which private schools may be allowed corresponding increase in their approved rates of tuition and other school fees are:

- a. To cope with the increasing costs of school operation brought about by the rise in prices of instructional materials and educational as well as supportive services;
- b. To upgrade classroom instruction, improve educational facilities and to hire competent teachers in the various levels; and
- c. To provide assistance or scholarship to poor but deserving students and maintain scholarship privileges granted to students who have achieved scholastic and related distinctions.

RULE II - CONDITION AND LIMITATION

Sec. 1. School Budget. - Each private school shall operate on the basis of an annual budget approved by its governing board.

Sec. 2. Distribution of Incremental Proceeds. - Sixty (60%) per cent of the whole incremental proceeds of the approved increase in tuition and other school fees for the school year 1979-80, including those authorized for the school years 1977-78 and 1978-79, as may be applicable, shall be allocated for the increase in salaries and benefits of teachers and non-teaching supportive personnel; and the balance of forty (40%) per cent to be used for other necessary expenses based on the priority needs of the institution concerned, particularly for improving the



quality of instruction through repair, maintenance and acquisition of additional educational facilities and equipment, for additional scholarships, and for extension services.

Sec. 3. Mode of Collection of School Fees. - The collection of school fees and charges shall be generally on installment basis.

Sec. 4. Additional Scholarships. - Each private school shall provide scholarships to poor but deserving students at the ratio of one (1) scholarship for every five hundred (500) enrolment, in addition to scholarship privileges already being granted by the institution.

Sec. 5. Prohibition. - No portion of the incremental proceeds from the approved increase of tuition and other school fees of private school for the school year 1979-80, including those for the school years 1977-78 and 1978-79, as may be applicable, shall be used for the payment of dividends or distribution of profit.

Sec. 6. Disqualification. - No member of the governing board of a private school shall be appointed or designated to any administrative position in the school nor receive compensation by virtue of such appointment or designation.

Sec. 7. Inspection and/or Audit. - Each private school shall submit to inspection on the implementation of its programs of improvements as may be conducted during the school year by supervisory personnel of the Ministry of Education and Culture and/or to audit as may be directed by the Minister of Education and Culture.

RULE III - APPLICATION

Sec. 1. Period and Place of Filing. - All applications for increase in tuition and/or other school fees, together with all the necessary supporting documents, shall be submitted to the MEC Regional Office in the area where the private school is situated not later than May 15, 1979.

Sec. 2. Contents. - The application for increase in tuition and/or other school fees shall be signed under oath by the school head, and shall contain the following:

- a. Category under which the proposed increase falls as provided for in Section 1 of Rule I hereof;
- b. Specific school fees for which the school is applying for increase or change in rates, including the (1) corresponding current approved rates, (2) percentage of increase for school fee, if applicable, and (3) proposed rate to be imposed for each school fee;
- c. Proposed allocation and program of expenditures of the incremental proceeds;
- d. Signature of school head; and
- e. Jurat.

Sec. 3. Format. - A uniform format of the application shall be observed in order to expedite action thereon. Inclosed is a copy of the standard Application Form which should be used by all applicant-schools for increase in tuition and other school fees for the school year 1979-80.

Sec. 4. Supporting Documents. - Each application for increase under Categories a or b of Section 1 of Rule I hereof shall be supported by the following annexes:

- a. A copy of the annual budget of the school for the school year 1979-80 approved by its governing board, certified correct by the school head;
- b. A complete copy of the latest financial statement of the school examined in accordance with generally accepted auditing standards and certified correct by an independent Certified Public Accountant;
- c. A copy of the latest Corporate Annual Income Tax Return of the school with evidence of having been filed with the BIR; or a copy of the Annual Information Return of Organization Exempt from Income Tax with evidence of having been filed with the BIR together with a certified true copy of the exemption certificate issued by the Commissioner of Internal Revenue pursuant to P.D. Nos. 304 and 305, if the school is exempt from paying income tax;



- d. A copy of the Articles of Incorporation and By-Laws of the school registered with the Securities and Exchange Commission; and
- e. Enrollment and graduation data by course/program for the First and Second Semesters of 1978-79, certified correct by the school Registrar.

Sec. 5. Exceptional Cases; Additional Requirements.
For applications under Category c of Section 1 of Rule I or for increase of the approved rates of school fees ranging from eleven (11%) per cent to a maximum of fifteen (15%) per cent, the following supporting documents shall be submitted with each application in addition to those called for in Section 3 hereof:

- a. A copy of the development plan of the school approved by its governing board;
- b. A list of available school resources in terms of physical plants, classrooms, faculty, library holdings, laboratory rooms, equipment, facilities, etc.;
- c. A memorandum clarifying and/or justifying each item in the application in relation to the quality and the priority of the program or course in the context of national and/or regional development;
- d. A certification by the school head under oath on the announcement of the proposed increase to the parents in the case of pre-elementary, elementary and secondary courses, and to the students of post-secondary courses;
- e. A detailed and complete report on the distribution of the incremental proceeds from the latest approved increase of the school, showing (1) the gross revenue during the school year, (2) the total incremental proceeds for the school year, (3) the specific items of expenditures for which the incremental proceeds were disbursed, and (4) the actual amount disbursed for each specific item of expenditure;

- f. A copy of the Rules and Standards on admission, promotion, and graduation of students; and
- g. A copy of the Rules and Standards on recruitment, employment, promotion, retirement or separation from service, and compensation of school teaching and non-teaching personnel.

RULE IV - ACTION ON APPLICATION

Sec. 1. Delegated Authority to the Regional Director. - Applications for increase of private schools under Categories a and b of Section 1 of Rule I hereof shall be processed and evaluated by the Regional Tuition Fee Unit of each Regional Office, and the action on each application shall be passed on and signed by the Regional Director concerned who is hereby delegated the authority to sign for the Minister of Education and Culture.

Sec. 2. Pro Forma Action. - Applications for increase of private schools under Categories a and b of Section 1 of Rule I or those involving increases not exceeding ten (10%) per cent shall be acted upon and approved immediately, provided that the application therefor and the required supporting documents as called for under Sections 2 and 3 of Rule III of this Order are properly submitted and on file with the Regional Office.

Sec. 3. Approval by the Minister of Education and Culture. - The Regional Director shall forward to the MEC Tuition Fee Unit, c/o the Bureau of Higher Education, Arroceros, Manila, all applications under Category c of Section 1 of Rule I, or for increase in excess of ten (10%) per cent together with the corresponding supporting documents called for herein within three (3) days after receipt thereof. Action on such applications shall be taken by the Minister of Education and Culture in line with the applicable policies and rules on the matter of school fees and the provisions of Sections 4, 5, and 6 hereof.

Sec. 4. Exceptional Cases. - All applications under Category c of Section 1 of Rule I or for increase beyond ten (10%) per cent shall be discriminately processed and evaluated with the end in view to determine the development quality of each program or course and its priority in the context of national development.

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Sec. 5. Quality-Criteria, etc. - For purposes of determining program-quality, the following criteria shall be taken into account:

- a. The available school resources in terms of physical plants, classrooms, faculty, library books/materials, laboratory rooms, facilities, equipment, etc.;
- b. The rules and standards on admission, promotion and graduation of students;
- c. The rules and standards on faculty recruitment, employment, promotion, retirement or separation, and compensation;
- d. Number of students for each program or course per term;
- e. Number of graduates for each programs or course per term;
- f. Teacher-student ratio per class; and
- g. Others as may be necessary.

Sec. 6. Priority Courses/Programs. - In general, the following professional degree programs have been identified as priority courses in the context of national development on account of their unique situation in terms of enrolment, research orientation, and/or capital-intensive nature of their operational requirements:

- | | |
|------------------------|--------------|
| a. Agriculture | f. Law |
| b. Dentistry | g. Medicine |
| c. Engineering | h. Optometry |
| d. Fishery | i. Pharmacy |
| e. Forestry | j. Physics |
| k. Veterinary Medicine | |

RULE V - MISCELLANEOUS PROVISIONS

Sec. 1. Incremental Proceeds; Collection. - No private school shall effect or collect any increase on its approved rates of tuition and other school fees until after the approval of its application as provided for in this Order.

Sec. 2. Administrative Sanctions. - Any violation of the provisions of this Order, and of other applicable policies and rules related to the matter of school fees shall be dealt with in accordance with existing laws.

Sec. 3. Repealing Clause. - All existing policies and rules not inconsistent with the provisions of these Implementing Rules are deemed effective, enforced and operational.

Sec. 4. Effectivity. - These Implementing Rules shall effect immediately.

Manila, Philippines, April 10, 1979.

(SGD.) JUAN L. MANUEL
Minister of Education and Culture

Incl.:

As stated

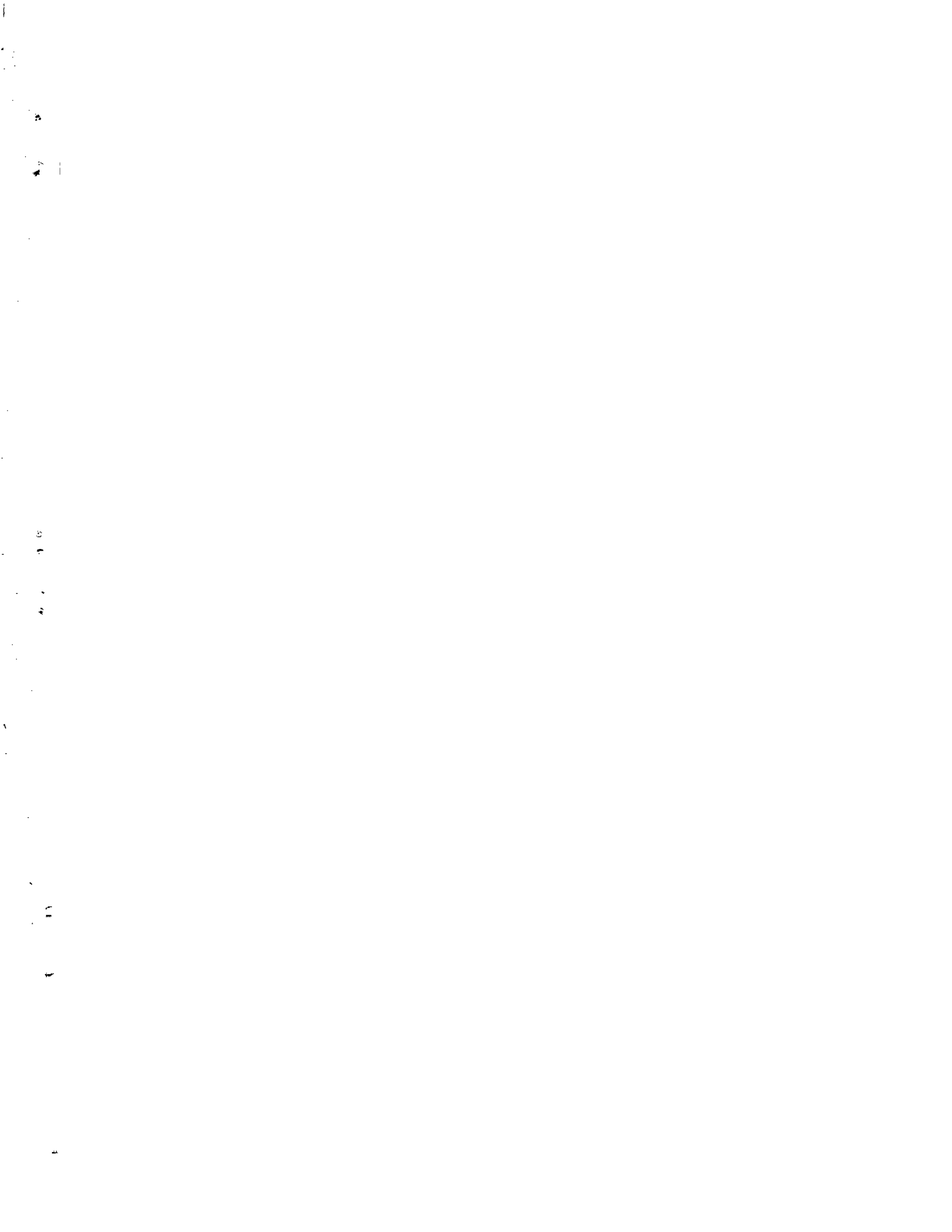
Reference:

Department Order No. 13, s. 1978

Allotment: 1-2-4--(D.O. 1-76)

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

FEES
RULES & REGULATIONS
SCHOOLS
UNIVERSITIES & COLLEGES



APPLICATION FOR INCREASE IN CURRENT APPROVED
 RATES OF TUITION AND/OR OTHER SCHOOL FEES
 FOR THE SCHOOL YEAR 1979-80

School _____

Address _____

CONTENTS OF APPLICATION

A. Category: (Please refer to Section 1 of Rule I of the Guidelines)

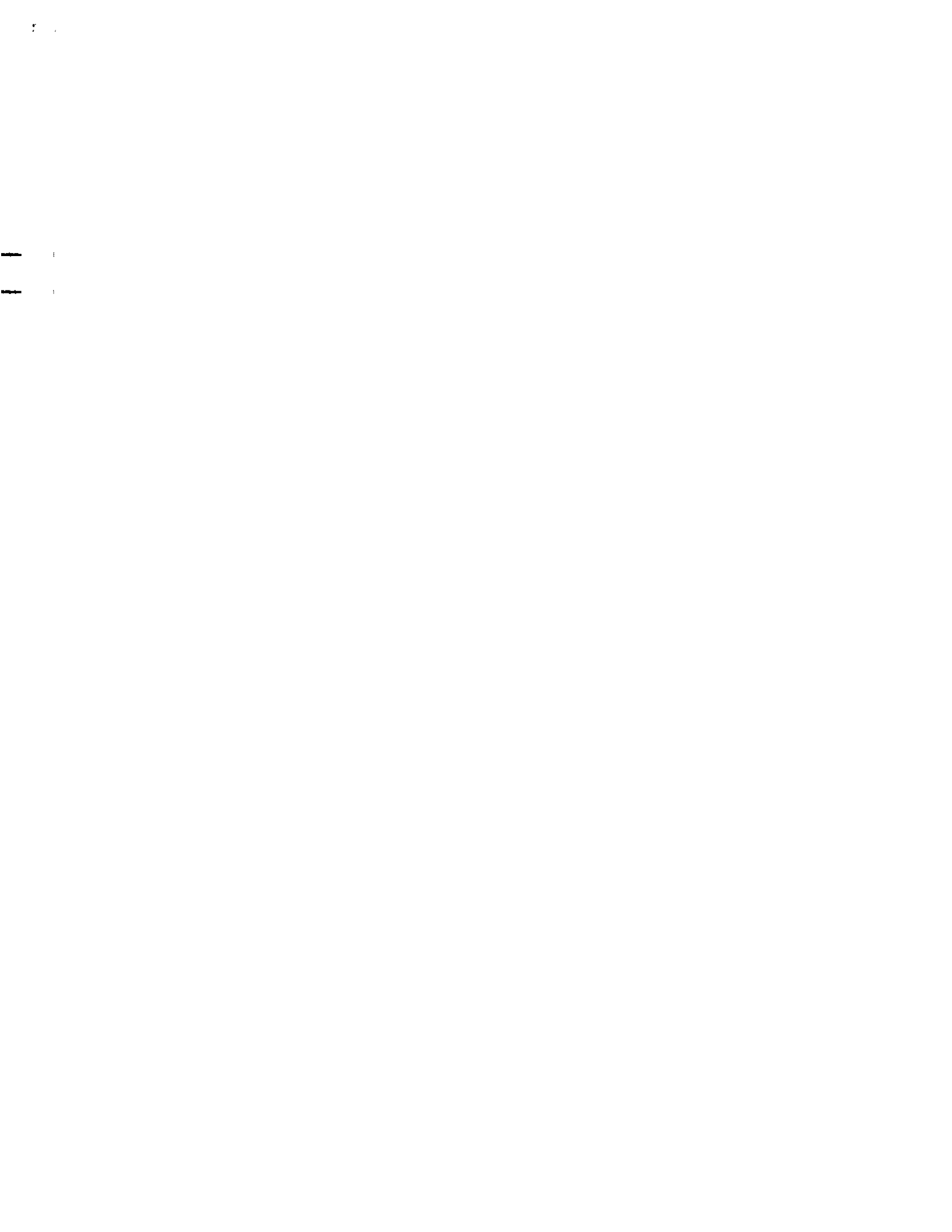
B. <u>Specific School Fee</u>	<u>Current Approved Rate</u>	<u>% of Increase (If Applicable)</u>	<u>Proposed Rate</u>

C. Allocation

Program of Expenditures

- | | |
|-----|--|
| 60% | - for equitable increase in salaries and benefits of teachers and non-teaching supportive personnel |
| 40% | - for improvement of the quality of instruction through repair, maintenance and acquisition of additional educational facilities and equipment |
| | - for additional scholarships |
| | - for extension services |

 (Name of School Head)
 (Designation)



REPUBLIC OF THE PHILIPPINES)

_____)

S.S.

SUBSCRIBED and SWORN to before me this ____ day of
____ 19____, affiant exhibiting to me his/her
Residence Certificate No. A- _____ issued at
_____ on _____, 19____.

Administering Officer

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



