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

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MEC O R D E R  
No. 21, s. 1980

GUIDELINES AND REGULATIONS GOVERNING THE RATES  
AND APPLICATIONS OF TUITION AND OTHER SCHOOL  
FEES FOR THE SCHOOL YEAR 1980-1981

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

Pursuant to the instructions of the President and Prime Minister, the following guidelines and regulations governing the rates and applications of tuition and other school fees for the school year 1980-1981 are hereby promulgated:

1. Declaration of Policy

It is the policy of the Government to promote and safeguard the interests of both pupils and students, and of schools or institutions, in the maintenance and improvement of instructional, training, and research programs of reasonable academic or professional quality.

It is likewise the policy of Government that the benefits of economic prosperity, and the burdens of economic costs, be shared as broadly and equitably as possible.

Pursuant to the above policies, the Ministry of Education and Culture shall regulate tuition and other school fees by providing for, or establishing the limits of increases that shall be authorized, as well as the applications of these fees, having in mind the financial capacity of students and families, and the costs of maintaining and improving school operations, including the well-being of school faculties and staffs.

2. School Fees: Definition

School fees shall be classified into tuition and other fees, which are defined as follows:

- 2.1. Tuition fee. - This is the fee to be collected to cover the direct costs of instruction, training, and related research, and of the students' use of instruction/training/research facilities, including laboratories.
- 2.2. Other fees. - These are the fees collected to cover other necessary costs supportive of instruction/training/research such as testing, athletic, library, and diploma fees; and miscellaneous fees related to extra- or co-curricular activities and to membership in the school community, such as registration, identification, medical and dental, student organization, student publication, YCAP, CMT, and other fees authorized by the MEC.

### 3. Tuition Fee Increases in Private Institutions

Tuition fee increases shall be for the purpose of meeting increased costs of operations for improving the quality of instruction/training/research through improved facilities, or for complying with mandated increases in personnel compensation and/or allowances. The adoption and collection of increases shall be subject to the following:

- 3.1. Schools or institutions requiring or intending to collect tuition fee increases above the rates authorized and actually collected in 1979-1980 shall file applications therefor with the MEC. The MEC shall act on these applications on a case-to-case basis.
- 3.2. Application shall be filed by each school or institution concerned to the appropriate MEC regional office, and the regional director shall act on each application by approving, or disapproving, or modifying the rates applied for, provided, that in the National Capital Region, schools or institutions with at least 10,000 students enrolled in 1979-1980 or are organized as stock corporations shall file their applications with the Bureau of Higher Education, Manila, and the Director thereof shall act on each application by approving, disapproving, or modifying the rates applied for.

- 3.3. Schools or institutions intending to apply for increase shall file their applications on or before July 15, 1980, provided, that they are hereby authorized to collect the said increases on a provisional basis beginning with the enrollment or registration period, first semester 1980-1981; provided further that said increases shall be subject to confirmation by approval, or modification by disapproval by the MEC; provided, finally, that in the case of modification by reduction or nullification by disapproval through MEC decision the amount of the disallowed increase shall be reimbursed to the students concerned, or credited to their second semester accounts, at the students' option.
- 3.4. No application shall be acted upon by the MEC unless it is accompanied by a statement under oath listing the (a) rates for fees collected by the school or institution in 1979-1980 for which increases are applied, by college or faculty, degree, or program, (b) the corresponding rates of increase applied for, (c) the allocation of the proceeds of the increases applied for based on the priority needs of the school or institution, and (d) the justifications for the increases, including projects or activities designed to improve instructional/training/research standards.
- 3.5. The MEC decision on each application shall be issued or promulgated not later than 60 days after the date of filing.
- 3.6. Applications for increase shall not exceed ten percent of the rates actually collected in 1979-1980 in all cases where the 1979-1980 fees included increases over fees collected in 1978-1979, provided, that in cases where the 1979-1980 rates did not exceed \$15 per unit the authorized increase shall be a maximum of \$3 per unit, notwithstanding the above.

In cases where the fees collected in 1979-1980 did not include increases over those collected in 1978-1979 the applications for increase shall not exceed fifteen percent of the rates actually

collected in 1979-1980, provided that in cases where the 1979-1980 rates did not exceed ₱15 per unit the authorized increase shall be a maximum of ₱3 per unit.

Pre-elementary, elementary, secondary, and vocational and technical schools or institutions where the rates collected in 1979-1980 are still below the corresponding levels allowed pursuant to the implementing rules of Presidential Decree No. 451 are hereby authorized to adjust their fees to the said levels, provided that the authority herein given shall be exercised without the necessity of application to the MEC, as an exception.

3.7. Notwithstanding the limitations in subparagraph 3.6, the tuition fees for the course in Dentistry proper may be increased by a rate of thirty percent, subject to requirements on application.

3.8. No part of the proceeds of tuition fee increases shall be applied to dividends.

#### 4. Increases in Other Fees in Private Institutions

Other fees as defined in paragraph 2 above, whether increased or not increased pursuant to this Order, shall be collected as a special school or institutional fund from which the various services shall be financed.

Schools or institutions intending to increase any or all of these fees above the 1979-1980 rates shall apply in the same manner as provided for in paragraph 3 above, and the applications for increases shall be governed by the pertinent provisions in the same paragraph 3 and in its subparagraphs.

In addition to the above fees, a non-citizenship fee in an amount not exceeding ₱1,500 per school year may be collected at the discretion of the school or institution concerned, from each foreign student who is not, or whose parent(s) are not, a permanent resident or residents in the Philippines; provided that this fee shall not be collected from students who are nationals of countries where Filipino students are not charged this fee, or of countries whose governments award not less than ten scholarships annually to Filipino students.

#### 5. Additional Provisions on Tuition and Other Fees in Private Schools or Institutions

The following additional guidelines and regulations are hereby promulgated:

- 5.1. Application for special capital development fees to amortize the construction of improved physical facilities completed and in use before June 30, 1980 may be filed by schools or institutions concerned on or before July 15, 1980, provided that no applications for recovery of costs of new buildings or parts thereof which were constructed primarily to accommodate expanded enrollment will be entertained by MEC, and provided further that this fee shall be collected only from students enrolled in programs or courses for which the capital or physical development was designed to improve facilities, and the said students actually use the facilities pursuant to logical space utilization schedules or systems. Applications for special capital development fees, including those filed under the RP-ADB Engineering Education Project, shall be filed with the MEC regional office.

Applications shall be supported by a statement under oath (a) that construction of the building or facility was started not earlier than 1979 and was completed and in use by students beginning the first semester 1980-1981, and (b) that the fee is collected only from students enrolled in courses actually using the building or facility. The statement shall likewise specify (c) the cost involved in the construction and furnishing of the building or facility, (d) the improvements to instruction/training/research and to co-curricular programs accruing to students, and (e) the planned schedule for amortization of the costs.

The applications shall be acted upon in the regional office.

- 5.2. Increase in faculty or other personnel compensation or allowances mandated by law or other Government requirement, being part of the cost of instruction/training/research services to students, shall be funded from the proceeds of school fee increases ahead of any other application or utilization of the said proceeds.
- 5.3. Schools or institutions shall endeavor to grant fee discounts or other forms of assistance to legal dependents of faculty and other personnel.
- 5.4. Notwithstanding any of the foregoing provisions of this Order, a school or institution may apply to the MEC for "de-regulated status" insofar

as school fee increases are concerned. De-regulated status may be applied for by a school or institution for any or all of its programs, provided that the institution or its programs are, in the opinion of the MEC, widely known for exceptionally high quality based on the excellence of its facilities and the performance of its graduates, and the institution grants a reasonable amount of financial resources to scholarships or similar assistance to financially needy students. Applications under this provision shall be filed by the head of the school or institution on or before July 30, 1980, supporting the application with a statement under oath (a) that the rates of fees collected are accepted or concurred in by at least 85 percent of the students (in cases of pre-collegiate programs, by the parents through payment of the fees involved), (b) of the amount of the institutional resources set aside or budgetted to be awarded as student assistance for the current year, and (c) of the fee rates collected in each of the programs relative to which de-regulation is applied for. The amount budgetted for student assistance shall be actually awarded to and enjoyed by student beneficiaries as a condition of approval by the MEC.

6. In the exercise of the supervisory and control functions of the MEC, the Minister of Education and Culture may order a review or inspection of private schools or institutions for the purpose of determining the implementation of programs of improvement therein, or for determining the extent of compliance with the provisions of this Order.

7. The proceeds of school fee increases authorized and collected pursuant to this Order, on the basis of misleading information or misstatements in the corresponding applications, shall be subject to reimbursement to the students who paid the same, and the MEC shall determine and impose administrative sanctions upon those persons responsible therefore, within its due powers and authority.

8. Strict compliance with the guidelines and regulations herein prescribed is enjoined upon all concerned.

(SGD.) ONOFRE D. CORPUZ  
Minister of Education and Culture

Reference:

MEC Order: No. 19, s. 1979

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

To be indicated in the Perpetual Index  
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