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(Republic of the Philippines)
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)
Manila

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DECS O R D E R
No. 55, s. 1989

**GUIDELINES ON SCHOOL FEES PURSUANT TO THE "GOVERNMENT ASSISTANCE
TO STUDENTS AND TEACHERS IN PRIVATE EDUCATION ACT"
(Republic Act No. 6728)**

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

Considering the approval of Republic Act No. 6728, otherwise known as the Government Assistance to Students and Teachers in Private Education Act and its effectivity after its official publication on June 16, 1989, these Guidelines to govern school fees starting SY 1989-90 and thereafter, are hereby promulgated:

1. Declaration of Policy: It is the declared policy of the State in conformity with the mandate of the Constitution, to promote and make quality education accessible to all Filipino citizens. The State also recognizes the complementary roles of public and private educational institutions in the educational system and the invaluable contribution that the private schools have made and will make to education. For these purposes, the State shall provide resource generation mechanisms through assistance to students and teachers in private education, institute de-regulation procedures for school financing requirements and prescribe accountability functions of the school administration towards quality education and the educational community.

2. Policy on Tuition Supplements: The Government shall provide tuition fee supplements for students in private high schools, in post secondary non-degree programs including vocational and technical courses in community colleges, and in private colleges and universities.

a. For High School Students:

(1) The Government shall provide a voucher equal to Two Hundred Ninety Pesos (Ps 290.00) for students enrolled in private high schools charging One Thousand Five Hundred Pesos (Ps 1,500.00) or less per year in tuition and other fees during school year 1988-1989 or such amount in subsequent years as may be determined, from time to time, by the State Assistance Council.

(2) No Government assistance shall be granted for students enrolled in high schools charging above P1,500.00 per year in tuition and other fees as of SY 1988-89 or such amounts in subsequent years as may be determined from time to time by the State Assistance Council.

(3) The amount of Government assistance on a per student basis as indicated in RA 6728 shall remain the same for the subsequent years unless Congress provides otherwise.

b. For Non-Freshman College Students:

(1) The Government shall provide tuition fee supplements for re-enrolling non-freshmen students in priority programs in private colleges and universities charging an effective unit tuition rate of Eighty Pesos (Ps 80.00) or less per unit in SY 1988-89 or such amount as in subsequent years may be determined by the State Assistance Council through a voucher with a value equivalent to the tuition fee increase for SY 1989-90 but not more than Twelve Pesos (Ps 12.00) per unit for priority courses.

(2) Such assistance shall be given only to students who have completed one academic year by June 1989 in priority programs and shall not apply to future college students and to present college students (SY 1989-90) who transfer outside of the region where he is domiciled unless the course he pursues is a priority course as determined by the Department Education, Culture and Sports.

3. Policy on Tuition Rates and Increases: All private schools, colleges and universities shall determine, at all levels, (pre-elementary, elementary, secondary and tertiary) the rate of their school fees and/or increases, subject to the conditions and requirements set forth in these Guidelines.

a. For Enrolling Freshmen in Private Schools:

The tuition rates for entering freshmen in all private schools, colleges and universities, may be determined by the school itself, after appropriate consultation with parents, students, faculty and alumni associations of the schools.

b. For Non-accredited Schools:

(1) Schools, colleges and universities charging an effective per unit tuition rate of more than Eighty Pesos (Ps 80.00) as of SY 1988-89 or such amount in subsequent years as may be determined from time to time, by the State Assistance Council can

determine their tuition rates, after consultation with student governments or councils, faculty and alumni associations of the school.

(2) Those charging an effective per unit tuition rate of Eighty Pesos (Ps 80.00) or less as of SY 1988-89 or such amount in subsequent years as may be determined from time to time by the State Assistance Council shall not increase their tuition fees by more than Twelve Pesos, (Ps 12.00) per unit, for both priority and non-priority programs without need of a consultation.

c. For Accredited Schools in All Levels:

(1) Any school with accredited programs charging a tuition rate of less than Eighty Pesos (Ps 80.00) per unit as of SY 1988-89 or such amount in subsequent years as may be determined from time to time by the State Assistance Council may continue to determine their tuition rates after consultation with duly organized parents-teachers or faculty associations with respect to secondary schools, and with students governments or councils, alumni and faculty associations with respect to colleges.

(2) All non-freshmen students in priority courses will be entitled to a voucher equivalent to the tuition increase but not beyond Ps 12.00 per unit.

(3) Accredited schools refer to those which have accredited programs or are applying for accreditation, as determined by the Federation of Accrediting Agencies of the Philippines (FAAP), namely: the Philippine Association of Accredited Schools, Colleges and Universities (PAASCU), the Association of Christian Schools and Colleges Accrediting Agencies (ACSCAA), and the Philippine Association of Colleges and Universities Commission on Accreditation (PACUCA).

d. Allocation of Tuition Supplements or Increases in Tuition:

a. Every school shall allocate at least seventy percent (70%) of the amount subsidized for tuition fee or of the tuition fee increases, for the payment of salaries, wages, allowances and other benefits of teaching and non-teaching personnel, except administrators who are principal stockholders of the

school, and may be used to cover legislated increases or as provided for in collective bargaining agreements existing or in force at the time of the effectivity of Republic Act 6726.

b. At least twenty (20%) percent of the tuition supplements or of the tuition fee increases, shall be allocated towards the improvement or modernization of buildings, equipment, libraries, laboratories, gymnasia and similar facilities, and to the payment of other costs of operation.

5. Limitations on the Use of Tuition Supplements:

a. No government subsidy/ies shall be used directly for salaries of teachers of sectarian subjects.

b. No part of the tuition supplements or tuition increases shall be used for the payment of salaries, wages, allowances and other benefits of administrators who are principal stockholders of the school.

6. Scholarships and Tuition Waivers:

a. Schools increasing their tuition fee shall grant full or half tuition waivers to five percent (5%) of the entering freshmen, which shall include among others, valedictorians and salutatorians of both public high schools and private high schools charging less than Ps 1,500.00 per student as of 1988-89 or such amount in subsequent years as may be determined by the State Assistance Council. Such valedictorians and salutatorians meet admission tests and retention requirements of the schools concerned.

7. Consultation:

a. In any proposed increase in the rate of tuition fees, in all levels, there shall be appropriate consultation by the school administration with duly organized parents, and teachers associations with respect to elementary and secondary schools, and with student governments or councils, alumni, and faculty associations with respect to colleges.

b. Consultation shall not be necessary for increases within the amounts prescribed herein for all types of students, schools and course programs.

c. For purposes hereof, "consultation" shall refer to that process of providing organized information by administration on instructional goals, objectives and activities, enhancement of the academic standards of instruction and facilities, personnel compensation

and operational costs, and the financing requirements, and the solicitation of support for the financing options therefor, from the educational community, namely, the organized students, faculty, parents or alumni. Full disclosure of information and access to documents, books of account, audited financial statements as required, shall be given to their authorized representatives by the school.

d. Every possible effort shall be exerted to reconcile differences among the members of the educational community. In case of disagreements, the alumni association of the school or any other impartial body of their choosing shall act as arbitrator.

8. Supporting Documents: All private schools, colleges and universities adopting an increase in their school fees in SY 1989-90, as allowed in this Act and adjusted to comply with the increase in minimum wage as prescribed in RA 6727 but not to exceed ceilings as prescribed above, shall submit, not later than July 31, 1989, to the DECS Regional Office, the following documents, for verification purposes:

a. Letter of Advice from the school head together with:

- (1) Schedule of School Fees for SY 1988-89;
- (2) Schedule of Proposed/Adjusted Increase for SY 1989-90, indicated in peso terms;
- (3) Schedule of Allocation and Use of the Incremental Proceeds indicating the specific amounts and purposes;
- (4) Budget of Receipts and Disbursements based on the collections of School Fees, for SY 1988-89, and the proposed increases for SY 1989-90.

b. Documentation of the consultation conducted by the school administration with duly organized parents and teachers associations at the elementary and secondary levels, and with student governments or councils, alumni, faculty associations and parents groups at the tertiary levels.

9. Effectivity of Collection:

a. All tuition and other fees and their corresponding increases shall be collectible by the school upon the opening of classes in any school year, semester or trimester. The collection of any increase shall be effected as a result of a consultation.

b. In case of government subsidy, the school may not collect from the students an amount for tuition exceeding that which was collected for the previous school year (SY 1982-83).

c. Any amount collected in excess of the previous school year's tuition and other fees, from students eligible for government subsidy, shall be reimbursed by the school to said students or shall be applied to subsequent obligations of said students.

10. Keeping and Inspection of Separate Records of Accounts:

a. All schools shall maintain a separate record of accounts and for all assistance received from the Government, or for any tuition fee increases, and a record of the detailed disposition and use thereof.

b. Such books of account, and records of disposition and use shall be made available for periodic inspection during business hours, by the representatives of faculty, the non-teaching personnel, students of the school concerned, the Department of Education, Culture and Sports and other concerned government agencies and in accordance with guidelines as may be determined by the State Assistance Council.

11. Penalties:

a. In case of any violation by an educational institution of the provisions of RA 6728 or the rules and regulations promulgated pursuant thereto, the Department of Education, Culture and Sports, upon the recommendation of the Council, may bar the institution from participating or benefiting from the programs of this Act, and from other programs of the Department, without prejudice to administrative and criminal charges as may be filed against the school and/or its responsible officers under existing laws.

b. Any school which refuses, as required under RA 6728, to furnish its audited financial statement to concerned sectors with whom it had a consultation prior to a tuition fee increase, shall forfeit the right to increase its tuition fees, in addition to other penalties or sanctions as may be imposed under the preceding paragraph.

12. Repealing Clause: Any existing order, memoranda, or any section, sub-section or clause therein, which are inconsistent with these Guidelines, Republic Act No. 6728 or its Implementing Rules and Regulations, is deemed repealed or amended accordingly.

13. Effectivity: This Order shall take effect upon its approval, and shall continue to be valid unless subsequently repealed or amended. Approved, June 23, 1989.

(SGD.) LOURDES R. QUISUMBING
Secretary

Reference:

DECS Order No. 46, s. 1989

Allotment: 1-4-- (M.O. 1-87)

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

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