

Republic of the Philippines
DEPARTMENT OF EDUCATION, CULTURE AND SPORTS
Meralco Drive, Pasig, Metro Manila

December 28, 1992

DECS ORDER No. 118, s. 1992 ✓

**REVOKING DECS ISSUANCES OR PROVISIONS THEREOF RE:
THE MORATORIUM ON NEW SCHOOLS, NEW TERTIARY COURSES, AND
CONVERSION INTO UNIVERSITIES; THE DISTRIBUTION OF 70 PERCENT OF TUITION
FEE INCREASES; Deregulation FOR EXCELLENT TERTIARY SCHOOLS AND
HIGHER EDUCATION PROGRAMS; PENALTIES ON LATE SUBMISSIONS OF SPECIAL
ORDER APPLICATIONS; AND INCORPORATION REQUIREMENTS FOR PRESCHOOLS**

Bureau Directors, Regional Directors, Schools Superintendents and Administrators
Heads of State and Community Colleges and Universities
Heads of Private Schools, Colleges and Universities

1. To implement the present thrusts for greater academic and administrative flexibility for private educational institutions, especially at the tertiary level, and to state colleges and universities where applicable, the following policies and procedures contained in previous issuances of this office are hereby revoked:

**A. ON THE MORATORIUM ON NEW SCHOOLS, NEW TERTIARY COURSES,
AND APPLICATIONS FOR CONVERSIONS INTO COLLEGES AND UNIVERSITIES**

2. At the beginning of school year 1988-1989, a moratorium on the establishment of new schools, opening of new tertiary courses, and conversion of schools/colleges to colleges/universities was instituted. The policy was modified during the school year 1991-1992 by allowing certain special cases as exceptions to the moratorium. Given the thrust of further deregulation under present policies, especially in stimulating competition in higher education, an even more positive approach is now called for.

3. Accordingly, all existing moratorium policies are hereby rescinded, and applications for (a) opening of new schools, (b) the offering of new tertiary courses of study, and (c) the conversion into colleges and universities will now be accepted by DECS for processing. Approval of such application will be subject to applicable law and compliance with relevant DECS rules and standards. In general the principle of encouraging educational competition between at least two schools for the same course offering in the same locality will be a guiding policy.

4. Prior issuances or provisions thereof not consistent with this policy are superseded, particularly (a) DECS Order No. 51, s. 1987, on the moratorium on the establishment of new college opening of tertiary curricular programs, and the conversion of schools/colleges to colleges/universities (b) DECS Order No. 37, s. 1991, on amendments to DECS Order No. 51, series of 1987; (c) DECS Order No. 19, s. 1992 on the moratorium on opening of nursing schools/programs.

**B. ON THE ALLOCATION OF 70 PER CENT
OF TUITION FEE INCREASES**

5. R.A. No. 6728 entitled "An Act Providing Assistance to Students and Teachers in Private Education" provides adequate guidelines for the allocation of the minimum 70 per cent and per cent incremental proceeds.

6. Therefore, DECS Order No. 15, s. 1992 on guidelines on the allocation of minimum 70 per cent and 20 percent incremental proceeds required under R.A. 6728 is hereby rescinded. Instead, all schools affected shall comply strictly with the provisions of R.A. No. 6728, reference to Section 5.2.c. which provides that "... seventy percent (70%) of the amount allotted for tuition fee or of the tuition fee increases shall go to the payment of salaries, wages, and other benefits of teaching and nonteaching personnel except administrators who are stockholders of the school, and may be used to cover increases as provided for in the collective bargaining agreements (CBA) existing or in force at the time when this Act is approved and made effective.

C. ON FULL DEREGULATION FOR EXCELLENT SCHOOLS AND FOR EXCELLENT TERTIARY PROGRAMS

7. Accreditation which is truly voluntary, non-governmental in nature, and programmatic rather than institutional will play a much more important role in evaluating educational institutions. Properly implemented, accreditation can serve as a method of recognizing the better schools.

8. With the full enforcement of the recently promulgated DECS policies on accreditation, DECS Order No. 137, s. 1991 on full deregulation for excellent tertiary schools and DECS Order No. 68, s. 1992 on full deregulation for excellent higher education programs are hereby rescinded. Schools and higher education programs identified in said DECS Orders shall no longer be called excellent schools or excellent programs. However, the benefits of full deregulation or complete administrative, curricular and financial autonomy granted for two years beginning with the school year 1991 will continue to be enjoyed until their expiration in school year 1993-1994.

D. ON THE PENALTIES IMPOSED FOR LATE SUBMISSION AND ACTION ON SPECIAL ORDERS

9. The policies and guidelines on the issuance of special orders for graduation contained in Department Order No. 61, s. 1975, and MECS Order No. 48, s. 1986, have been expanded by Order No. 114, s. 1991, with the provision of a schedule that should be strictly observed by schools and DECS regional offices in the issuance of special orders.

10. However, in the light of valid observations on the penalties imposed therein for late submission and action on special orders, especially on the imposition of a fine on a school who may not necessarily be at fault with respect to late submissions of application for and issuances of special orders. Accordingly, the penalty provisions of DECS Order No. 114, s. 1991 as contained in Paragraphs 5 therein are hereby rescinded.

E. ON THE INCORPORATION REQUIREMENT FOR PRESCHOOL LEVELS

11. Section 25 of Batas Pambansa Blg. 232 provides that the incorporation requirement may be waived in the case of family-administered pre-school institutions. With the inclusion of private school institutions under Section 36(a) in the Eighth Edition of the Manual of Regulations for Private Schools as part of the elementary program under the jurisdiction of DECS, clarification is hereby made that incorporation is not mandatory for family-owned pre-school institutions. However, the incorporation requirement will apply if subsequent levels, such as Grade I Elementary, is offered by the same institution.

12. This Order takes effect immediately.



ARMAND V. FABELLA
Secretary