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CHED Memorandum Order

No. _____

Series of 2003

To: All CHED Central Office Directors
All CHED Regional Directors
Presidents/Heads of Public and Private Higher Education Institutions

Subject: GUIDELINES ON THE PROCEDURES TO BE OBSERVED BY THE HIGHER EDUCATION INSTITUTIONS (HEI'S) INTENDING TO INCREASE TUITION AND OTHER SCHOOL FEES EFFECTIVE ACADEMIC YEAR (AY) 2004-2005

In accordance with pertinent provisions of Batas Pambansa Blg. 232, RA 7722, and as a result of consultation with various stakeholders, the guidelines on the procedures to be observed by all Higher Education Institutions (HEI's) intending to increase their tuition and other school fees effective AY 2004-2005 are hereby adopted

1. Coverage

These guidelines and procedures shall cover increase in tuition, other school fee and new fee charges. Other school fees shall include those for specific actual student services rendered, as may be identified by the school authorities and certified by recognized student council and faculty association such as registration, medical and dental, athletic, audio-visual, guidance, insurance, laboratory fee, laboratory deposit, library fee, school publication, student organization, or other school fees.

2. Consultation requirements

Consultations are required in the following instances

- Increase in existing tuition and other fees
- New fees
 - Allocation of increase in tuition fees and incremental proceeds

Allocation of incremental proceeds derived from increase in tuition fees and other school fees.

2.1. Consultations shall be conducted with legitimate and authorized representatives of student councils/ governments / organization, faculty, alumni and/or non-teaching personnel associations whenever applicable. Discussions shall be done in a free and candid atmosphere, with participants given opportunity to air their sentiments and views on the issues at hand.

2.2. It shall be initiated by the school heads and conducted not later than February 28 of the academic year (AY), the intended increase shall take effect;

2.3. The Regional Offices concerned must be informed of the holding of consultations thirty (30) days before the actual dates.

2.4. Notices must be conspicuously posted within the school campus at least thirty (30) days before the actual consultations.

2.5 The HEIs latest audited financial statements shall be made available to the authorized representatives of the aforementioned groups, upon request.

3. State Universities and Colleges (SCUs)

As provided for in RA 8292, the Governing Boards of SCUs shall have the power to fix tuition fees and other necessary school charges such as, but not limited to matriculation, graduation, and laboratory fees, as their respective Boards may deem proper to impose after due consultations with the involved sectors.

All SCUs are encouraged to adopt and implement a socialized scheme of tuition and other fees in order to provide greater access poor but deserving students.

4. Private Schools

The following documents must be submitted to the CHED, through the Regional Offices concerned, not later than April 1 of the preceding the intended increase shall take effect, with the following supporting documents.

4.1 Letter of Advice signed by the President/School Head informing the concerned Agency of its intention to increase tuition and other school fees.

4.2 Certified of Conduct of Consultation (CCC) duly notarized, with the minutes and attendance sheet signed by the concerned School Heads and the aforementioned authorized representatives to the consultation.

4.3 A Certified of Alliance of Compliance (COC) signed by the School Head and duly notarized, stating that seventy percent (70%) of the previous year's incremental proceeds from tuition fee increase were used for the payment of increase in salaries, wages, allowances and other benefits of its teaching and non-teaching personnel and other staff, except principal stockholders of the HEI who are holding administrative positions, including such increases as may have been provided for in the Collective Bargaining Agreement if any, existing in force at the time when Republic Act 6728 took effect; twenty percent (20%) of the same was expended for the improvement or modernization of school buildings, equipment and other cost of operation, and that the total other school and new fees were spent for the items specified in the approved application.

4.4 The Certificate of Intended Compliance (COIC) shall be certified under oath by the school head, duly signed by the aforementioned authorized representatives and posted in the HEI's bulletin boards and other conspicuous locations inside the campus. This should specify the purposes of the percentage allocation of increase in tuition and other school fees, new fees and the percentage allocation of such increases and incremental proceeds.

4.5 A Certification of Agreement signed by the duly authorized representatives of the HEI's Administration, Student Councils/government, Faculty, Alumni, and/or non-teaching personnel associations whenever applicable in cases of application of new fees.

4.6 A comparative schedule of tuition and other school fees for the current AY and the proposed increasing AY, with the differences expressed both peso and percentage terms.

5. Regional Task Force on tuition and Other School Fees

A Regional Task Force on Tuition and Other School Fees shall be organized at the regional level composed of:

- CHED ----- Chair
- National Anti-Poverty Commission-----member
- Regional Student Representative ----- member
- Regional Faculty Union Representative --- member
- National Youth Commission ----- member
- COCOPEA ----- member
- Philippine Chamber of Commerce-----member
- CHED ----- Secretariat

Function of Task Force:

The task force shall receive, consolidate, intervene, and resolve all complaints, disputes and other disagreements on application for tuition and other school fees implemented on HEIs under the CHEDROs jurisdiction

Failure of the said Task Force to act within 30 days on the cases elevated to them would deem the case resolved in favor of the increases in tuition and other fees.

6. Regional Office of CHED (CHEDROs)

Regional Offices must:

6.1 Regularly monitor the implementation of tuition and other school fee increase and new fees in HEIs under their jurisdiction particularly the consultation and allocation of incremental proceeds derived from fee increases

6.2 Prepare a formatted report on tuition and other school fees and new fees and similar related developments thereto, for submission to CHED Central Office through the Office of the Student Services on or before 15 April of every Academic Year.

6.3 In appropriate instances, elevate to the Regional Task Force on Tuition Fee the unresolved cases on tuition and other school fee increases and new fee disputes.

6.4 Act as Chair and Secretariat of the Regional Task Force on Tuition Fee.

7. Ceiling Rate Increase (delete this section)

Tuition and other school fee increases of not more than ten percent (10%) over the previous year's rates shall not be subjected to consultation. Those above 10% shall require consultation process with the concern sectoral representatives.

8. Exemptions

8.1 Incoming Freshmen

Tuition and other school fees for incoming freshmen are not covered by these guidelines.

8.2. Selected Higher Education Institutions (HEIs)

Only HEIs granted Autonomous and Deregulated Status by the Commission on Higher Education are exempted. The exemption shall apply to program offerings of the said Higher Education Institutions with at least Level II FAAP accreditation.

9. Sanctions

In case of any violation of the provisions of these guidelines, the concern Regional Office, after due process, may bar or cancel the HEI from effecting tuition fee and other school fee increases and new fees without prejudice to the filing of the administrative and criminal charges against it and/or its responsible officers under existing laws.

Any Higher Education Institution that refuses to furnish copies of its audited financial statements to authorized parties during the consultation shall forfeit its right to increase its tuition and other school fees and charge new fees in addition to other penalties or sanctions as may be imposed by the concerned Regional Office.

Notes:

*Those in the italics were based on the April 22 discussion of the Program Committee

**Those underlined words were the changes based on the April 30 discussion with the representatives of PACU, CCOPEA, Philippine National Confederation of Faculty Association of SUC's, UST Faculty Union, National Youth Commission, National Union of Students of the Philippines, College Editor's Guild of the Philippines, De Ocampo Memorial College, and Arellano University