

COMMISSION ON HIGHER EDUCATION

**MANUAL OF
REGULATIONS FOR
PRIVATE HIGHER
EDUCATION**



MANUAL OF REGULATIONS FOR PRIVATE HIGHER EDUCATION



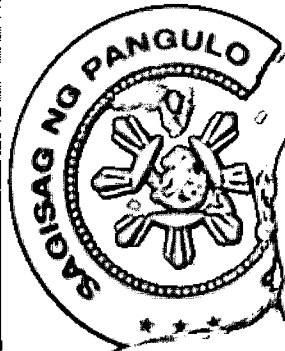
**Republic of the Philippines
Office of the President
COMMISSION ON HIGHER EDUCATION**

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“Education is the core value of Philippine society and family life. The best gift any family can give to a child, and the best any nation can give to its people – is access to a good education.”

- Her Excellency Gloria Macapagal-Arroyo

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Foreword

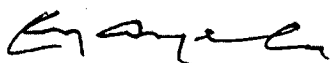
It has been the declared policy of the State to “protect, foster and promote the right of all citizens to affordable quality education at all levels and to take appropriate steps to ensure that such education shall be accessible to all”. Pursuant to this, the Commission on Higher Education (CHED) was created through Republic Act No. 7722, otherwise known as the “*Higher Education Act of 1994*” to supervise and develop the Philippine higher education sector as a potent resource for national development and thus, ensure the fulfillment of the aforesaid policy.

The Philippine higher education system is comprised of private higher education institutions (PHEIs), which account for about 88% of the total number of HEIs nationwide. Considering the magnitude of the private sector, it became more compelling to craft a comprehensive and concrete set of rules and regulations for the proper, effective and reasonable implementation of the laws, rules and regulations affecting private higher education in the country.

Cognizant of this need, CHED created a Technical Working Group, composed of key associations and authorities in higher education law, that eventually formulated the Manual. The Commission finally published the **MANUAL OF REGULATIONS FOR PRIVATE HIGHER EDUCATION OF 2008** (MORPHE for brevity), which contains the rules and regulations for implementing the pertinent provisions of the 1987 Constitution, Act No. 2706 as amended by Act No. 3075, Commonwealth Act No. 180, Batas Pambansa Bilang 232, Republic Act No. 7722, Republic Act No. 6728 and other applicable legislations. The **MORPHE** was issued through CHED Memorandum Order No. 40, s. 2008 for the guidance of the private higher education sector and other stakeholders including students, parents, policy-makers and other government and non-government agencies.

With this, I am confident that the private higher education sector will be assured of a better and reasonable supervision by the CHED. Hopefully, this Manual will also provide the impetus for the further growth and development of the PHEIs.

As the present Chairman of the Commission, I believe that the MORPHE will be very useful and helpful in the attainment and fulfillment of our vision and mission for CHED as an effective leader for change and the transformation of a globally competitive higher education sector as we travel in unison along the new Philippine higher education highway.



EMMANUEL Y. ANGELES
Chairman, CHED

Preface

The crafting of the **Manual of Regulations for Private Higher Education** (MORPHE) is in fulfillment of the CHED's commitment to support the policy and reform measures outlined in the Philippine Commission on Educational Reform (PCER) Agenda and in line with the Constitutional mandates towards reasonable supervision and regulation of all HEIs. In the course of the formulation of the Manual, it became apparent that the same document became a legacy of the close collaboration and cooperation between the CHED and the Coordinating Council for Private Educational Associations (COCOPEA). The countless TWG meetings and hearings on the Manual certainly proved this.

As a backdrop, it was in the year 2000 when the PCER identified various issues and problems afflicting the higher education sector and recommended policy and reform measures aimed at rationalizing the higher education system and the eventual upgrading of the quality of Philippine higher education. Thus, in the year 2004, CHED constituted the Technical Working Group on Manual of Regulations for Private Higher Education Institutions (TWG on MOR for Private HEIs), which was tasked to review the 1992 Manual of Regulations for Private Schools adopted during the time of the late Secretary of Education Armand Fabella. After more than a decade of new developments and challenges the higher education sector faced, including the trifocalization of the education department, the Commission saw the need to update the Manual and thus, align the policies affecting the sector with the present milieu.

The TWG was composed of recognized authorities and eminent persons on education who came mostly from the COCOPEA member associations such as Fr. Roderick C. Salazar, Jr., SVD of the Catholic Educational Association of the Philippines (CEAP), Dr. Jose Paulo E. Campos of the Philippine Association of Private Schools, Colleges and Universities (PAPSCU), Dr. Patricio C. Dionio of the Association of Christian Schools, Colleges and Universities (ACSCU), Dr. Virgilio Bautista and Dr. Teresita Quirino of the Philippine Association of Colleges and Universities (PACU), and Atty. Ulpiano P. Sarmiento III as the Legal Consultant (now a party-list representative of A TEACHER). During the early rounds of discussions, CHED has also tapped the expertise of Dr. Mariano Piamonte, Jr. of CEAP (another party-list representative of A TEACHER), Dr. Juanito Acanto of ACSCU, Dr. Antonio Yap of PAPSCU, and Atty. Zachary O. Waytan who was then PACU Executive Director.

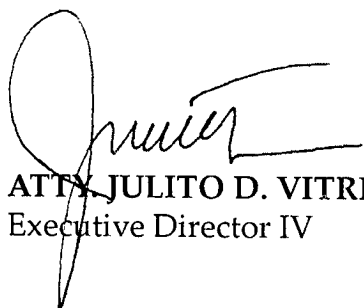
The CHED likewise involved noted legal luminaries Atty. Antonio H. Abad, Jr., Legal Counsel of PACU at that time, Atty. Sabino R. Padilla, Jr. of CEAP and Atty. Gonzalo T. Duque who later became President of PACU.

The output of the TWG was subjected to the series of consultative meetings made possible through the full support and cooperation of the COCOPEA. On July 9, 2008, the TWG completed the final draft of the proposed MORPHE which was eventually adopted and promulgated by the CHED Commission *en banc* by virtue of CEB Resolution No. 398 – 2008, dated July 28, 2008.

The MORPHE was issued through CHED Memorandum Order No. 40, s. 2008, which was registered at the Office of the National Administrative Register (ONAR) on October 17, 2008 and published in the Official Gazette on November 24, 2008. It consists of one hundred forty eight (148) Sections divided into twenty-seven (27) major Articles involving the General Provisions, the Higher Education System, the Commission on Higher Education, the Private Higher Education Institutions, Higher Education Programs, Terms and Condition of Employment, Financial Management and Assistance, Administrative Remedies and Miscellaneous Provisions. Significantly, the MORPHE also includes provisions that are intended to level the playing field between the private and public higher education sectors.

It is hoped that the spirit of partnership and cooperation galvanized through the crafting of the MORPHE between CHED and the private higher education sector's stakeholders will provide the impetus for the Manual's effective implementation as the new CHED Chairman - Secretary Emmanuel Y. Angeles - leads us towards the new higher education highway.

Finally, in my capacity as the former Chairman of the TWG on the MORPHE, I would like to express our sincere and deepest gratitude to the TWG members and to all those who have sincerely and wholeheartedly assisted in the review and updating of the Manual.



ATTY. JULITO D. VITRIOLO
Executive Director IV

Acknowledgment

It took almost four years for the CHED through the TWG on MOR for Private HEIs to complete the crafting of the Manual of Regulations for Private Higher Education (MORPHE). I can still recall the deliberations and argumentations that transpired during each and every meeting of the TWG with the representatives from the private higher education sector until the proposed Manual has been finalized. Every activity is full of intense and worth remembering.


Hence, in my capacity as Director-In-Charge of the TWG on MOR for Private HEIs and in behalf of the CHED, I would like to give due recognition for all the support and untiring participation of the TWG members namely: Fr. Roderick C. Salazar, Jr., SVD, of CEAP, Dr. Jose Paulo E. Campos of PAPSCU, Dr. Patricio C. Dionio of ACSCU, Dr. Virgilio Bautista and Dr. Teresita Quirino of PACU, and Atty. Ulpiano P. Sarmiento III, Legal Consultant. Without their dedication and commitment, CHED may not have been able to finalize and come up with this important document for the guidance of the private higher education sector.

Likewise, I would also like to acknowledge the valuable inputs imparted by Dr. Mariano Piamonte, Jr. of CEAP, Dr. Juanito Acanto of ACSCU, Dr. Antonio Yap of PAPSCU, former PACU Executive Director Atty. Zachary O. Waytan, Atty. Antonio H. Abad, Jr. and Atty. Gonzalo T. Duque of PACU as well as Atty. Sabino R. Padilla, Jr. of CEAP for sharing their knowledge and expertise in the crafting of the MORPHE.

Moreover, I would like to express my thankfulness to the Coordinating Council for Private Educational Associations (COCOPEA). Without the COCOPEA's full support and cooperation, all efforts exerted to craft the MORPHE would have been wasted.

Furthermore, I would also like to acknowledge all the motivations given by the past and present members of the CHED Commission *en banc* and all other Officials of the Commission.

Finally, I would also like to thank all the members of the Technical Staff of the TWG on MOR for Private HEIs for their commitment and dedication to the task given to them.


FELIZARDO Y. FRANCISCO, Ed.D.
Director-in-Charge
TWG on MOR for Private HEIs and
Director IV, OPS-CHED

Message

On behalf of the Coordinating Council for Private Educational Associations (COCOPEA), I am pleased to express our warmest congratulations to the Commission on Higher Education (CHED) for successfully completing the Manual of Regulations for Private Higher Education (MORPHE) of 2008.

I am well aware that this Manual is the direct result of a joint endeavor stimulated by the strong and harmonious cooperation between the CHED and the various member associations (*ACSCU, CEAP, PACU, PAPSCU and TEVSAPHIL*) of COCOPEA.

I also thank CHED for giving the private higher education sector through COCOPEA more than enough opportunity to air various concerns particularly on the supervisory and regulatory functions of CHED.

We, in the private higher education sector, hope that the issuance of the MORPHE would pave the way towards a more reasonable supervision over private higher education by the CHED.

August 15, 2008


FR RODERICK C. SALAZAR, JR., SVD
Chairman, COCOPEA



Republic of the Philippines
Office of the President
COMMISSION ON HIGHER EDUCATION

CHED MEMORANDUM ORDER

No. 40,

Series of 2008,

Subject : **MANUAL OF REGULATIONS FOR PRIVATE HIGHER
EDUCATION OF 2008**

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1. Pursuant to the pertinent provisions of the 1987 Constitution, Act No. 2706 as amended by Act No. 3075, Commonwealth Act No. 180, Batas Pambansa Bilang 232, Republic Act No. 7722 and other applicable legislations and by virtue of the 318th Commission en banc Resolution No. 398 – 2008 dated 28 July 2008, the Commission hereby adopts and promulgates this Manual of Regulations for Private Higher Education of 2008 for information, guidance and compliance of all concerned.
2. The Manual shall apply to all private higher education institutions operating under authority of the Commission.
3. It shall be the responsibility of all school officials of private higher education institutions to implement the provisions of this Manual.
4. The CHED Regional Offices shall monitor and ensure the effective implementation of this Manual.
5. This Manual of Regulations for Private Higher Education of 2008 shall take effect fifteen (15) days after publication in the Official Gazette or in a newspaper of general circulation.

Pasig City, Philippines, 31 July 2008.

For the Commission:

ROMULO L. NERI
Acting Chairman

MANUAL OF REGULATIONS FOR PRIVATE HIGHER EDUCATION OF 2008

This Manual of Regulations for Private Higher Education is hereby issued pursuant to the pertinent provisions of the 1987 Constitution, Act No. 2706 as amended by Act No. 3075, Commonwealth Act No. 180, Batas Pambansa Bilang. 232, Republic Act No. 7722 and other applicable legislations.

A. GENERAL PROVISIONS

Article 1

GENERAL POLICY AND APPLICATION

Section 1. Title. This Manual shall be known as the Manual of Regulations for Private Higher Education of 2008.

Section 2. Policy. It is the policy of the State to establish, maintain and support a complete, adequate, and integrated system of education relevant to the needs of the people and society. Towards this end, the government shall ensure, within the context of a free and democratic system, maximum contribution of the educational system to the attainment of the goals of national development.

Section 3. Coverage. This Manual shall apply to all private higher education institutions, except otherwise provided by law.

Section 4. Application and Construction. The provisions of this Manual shall be applied in order to attain the purposes of higher education, to give meaning to academic freedom, to institute reasonable supervision and regulation, and to accelerate the development of higher education institutions. All doubts in the implementation and interpretation of the provisions of this Manual shall be resolved in favor of the higher education institution.

In all matters affecting the welfare of the student, all doubts in the implementation and interpretation of the provisions of this Manual, shall be resolved in favor of the student.

In all matters affecting the welfare of teaching and non-teaching personnel, all doubts in the implementation and interpretation of the provisions of this manual, shall be resolved in favor of the personnel.

Section 5. Definition of Terms. Except as otherwise provided, the terms below shall be construed as follows:

- 1) **"Accreditation"** is a voluntary activity or process leading to the issuance of a certificate of accredited status by an organized body of educational institutions attesting to the quality or standards of a higher education institution or to any of its educational programs, and to the effectiveness of the management and operations of the institution offering the program, as exceeding the minimum standards or criteria for government recognition as provided for in this Manual. Accreditation shall be voluntary in nature.
 - 2) **"Autonomy"** refers to the special regulatory treatment and benefits accorded by the Commission to certain higher education institutions for demonstrated and consistent adherence to high standards of instruction, research and scholarships.
 - 3) **"Branch"** is an educational facility, apart from the main or home campus, that (1) has a separate site and attendant educational facilities, such as buildings and classrooms specifically built for the purpose/s the main higher education institution has established; and (2) offers higher education degree programs which may also be offered in the main campus, and which are not restricted to a specific group or classification of students, such as employees of a company, but are open to the general public.
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- 4) "*Chairman*" refers to the head of the Commission on Higher Education.
 - 5) "*Commission*" refers to the Commission on Higher Education.
 - 6) "*Commissioners*" refers to members of the Commission other than the Chairman.
 - 7) "*Commission en banc*" refers to the Chairman and Commissioners sitting as a collegial body.
 - 8) "*Course*" is a discrete component of a higher education degree program. It is identified by a course name while its coverage is defined by a course description and its outline or syllabus. This is also known as subject.
 - 9) "*Deregulation*" represents degrees in the liberalization of rules and regulations of the Commission. The Commission accords to a deregulated higher education institution certain benefits and advantages as may be provided for in this Manual and in applicable legislation.
 - 10) "*Extension Class*" is a class normally offered by a recognized higher education institution in its main campus but is conducted in another location not otherwise specified in the permit or recognition issued by the Commission for the operation of the program.
 - 11) "*Foreign Higher Education Institution*" as distinguished from Philippine higher education institution, is one that is duly established and authorized in accordance with existing Philippine laws to operate higher education programs which are primarily and principally adhering to either universally accepted and recognized educational policies and standards or the unique differentially prescribed system of education of a particular country other than the Philippines.
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- 12) ***“Formal Education”*** refers to the hierarchically structured and chronologically graded learning experience organized and provided by the formal school system and for which certification is required in order for the student to progress through the grades or move to higher levels. Formal education shall correspond to the levels of the elementary, secondary and tertiary education.
- 13) ***“Government”*** means the Government of the Republic of the Philippines.
- 14) ***“Government Authority”*** means either a permit or recognition issued by the Commission to a private higher education institution for the operation of a particular higher education degree program.
- a) ***“Permit”*** refers to a form of government authority issued by the Commission to a higher education institution for the operation of a particular higher education program on probation. The Permit is renewable and generally revocable for non-compliance with the program requirements.
- b) ***“Recognition”*** is another form of government authority or approval granted to a particular higher education program for operation as a continuing or permanent concern, after having been satisfactorily operated under a government permit. Recognition constitutes the basis for the graduation of students. It remains valid unless revoked for cause.
- c) ***“Special Order”*** is the authority granted by the Commission for a higher education institution to graduate a student from a degree program duly authorized by the Commission. This is contained in a form prescribed for the purpose.
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- 15) *"Higher Education Degree Program"* refers to the specific courses of study in the higher level of the education system leading to a bachelor's, master's or doctoral degree.
 - 16) *"Higher Education Institution"* or *"Institution"* as used in this Manual, means an educational institution, private or public, undertaking operations of higher education program/s with an organized group of students pursuing defined studies in higher education, receiving instructions from teachers, usually located in a building or group of buildings in a particular site specifically intended for educational purposes.
 - 17) *"Institutional Academic Freedom"* refers to the freedom of higher education institutions to determine their aims and objectives and how to attain them without threat of coercion or interference, except, when the overriding public interest calls for some restraint.
 - 18) *"Institutional Policies and Rules"* means the standards prescribed by the higher education institution for the internal governance of its educational operations, as defined and approved by its governing body in accordance with law, and the applicable policies and rules of the Commission.
 - 19) *"Local College or University (LCU)"* means a public higher education institution established by the Local Government Units (LGUs) through an enabling ordinance and financially supported by the concerned local government unit. In Filipino, an LCU is referred to as *"Dalubhasaan"* for college and *"Pamantasan"* for university.
 - 20) *"Members of the Academic Community"* refers to the general membership of every higher education institution established in accordance with law and duly authorized by the Commission to operate certain higher education programs. The term includes, either singly or collectively, the following:
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- a) ***“Personnel”*** means the person, singly or collectively, working in a higher education institution. They are classified as follows:
- a.1 ***“Academic Personnel”*** includes those who are formally engaged in actual teaching or in research assignments, either on full-time or part-time basis.
 - a.2 ***“Academic Support Personnel”*** are those who perform certain prescribed academic functions directly supportive of teaching, such as registrars, librarians, guidance counselors, researchers, and other persons performing similar functions including institution officials responsible for academic matters and affairs.
 - a.3 ***“Board of Trustees/Regents/Governing Board”*** is the policy-making body of a higher education institution, which exercises all the corporate powers of the institution and is answerable to all members of the academic community.
 - a.4 ***“Head”*** refers to the chief executive officer of a higher education institution.
 - a.5 ***“Non-Academic Personnel”*** means the rank-and-file employees of the institution engaged in administrative functions and maintenance of a higher education institution.
 - a.6 ***“Other Institution Officials”*** refers to other officers, including academic personnel who are occupying supervisory positions involved in the implementation of policies of a higher education institution.
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- b) ***“Student”*** means any person who is enrolled and engaged in higher education studies. The term includes the following:
- b.1 ***“Foreign Students”*** refers to aliens belonging or owing allegiance to a country other than the Philippines, studying in any educational institution recognized by the Philippine government including researchers, trainees, grantees, scholars, and others who are conducting research work in any other government/private department or agency, or studying in any special training institution or center in the country.
 - b.2 ***“Refresher Course Student”*** is a person enrolled in a particular program for audit purposes and without earning credits.
 - b.3 ***“Special Student”*** is a student with extra-ordinary behavior, mental or physical conditions that require the adoption of the special needs education procedures, where modifications in the curricula, programs, special services and physical facilities are necessary for the development of maximum learning capacities.
- 21) ***“Non-Stock Educational Institution”*** is a higher education institution organized as a non-stock corporation in accordance with the Corporation Code of the Philippines, where no part of its income is distributable as dividends to its members, trustees, or officers, subject to the provisions of the Code on dissolution: *Provided*, that any profit which a non-stock corporation may obtain as an incident to its operations shall, whenever necessary or proper, be used for the furtherance of the purpose or purposes for which the corporation was organized.
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- 22) ***“Phase-out process”*** means the gradual closure of a higher education program or a higher education institution. In any case, the termination or closure of a program shall be effected at the end of an academic year. However, students that are already in the second, third and fourth year levels shall be allowed to finish their study until graduation or to transfer to other institutions, at the option of the student(s).
- 23) ***“Policies and Rules of the Commission”*** refers to the standards or guidelines issued or prescribed by the Commission, which are normally considered minimum in terms of the establishment of a private higher education institution, the operation of its programs and activities, and the management of its affairs.
- 24) ***“Post Secondary Program”*** refers to courses of study which do not lead to a bachelor's degree but which require the possession of a high school diploma for admission, and which are generally for obtaining technical and vocational skills.
- 25) ***“Regional Office”*** refers to any of the offices of the Commission in the different regions throughout the country; they exercise direct supervision over higher education institutions under their jurisdiction and area of responsibility.
- 26) ***“Stock Educational Institution”*** is a higher education institution organized as a stock corporation in accordance with the Corporation Code of the Philippines, which has capital stock divided into shares and is authorized to distribute to the holders of such shares dividends or allotments of the surplus profits on the basis of the shares held.
- 27) ***“Tertiary Education”*** refers to post secondary technical/vocational education and training, as well as higher education programs.
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- 28) *"Transnational Education"* refers to all types of higher education study program, or sets of courses of study, or educational services in which the learners are located in a country different from the one where the awarding institution is based. Such program may belong to the education system of a State different from the State in which it operates, or may operate independently of any national education system.

B. THE HIGHER EDUCATION SYSTEM

Article II FORMAL EDUCATION

Section 6. Policy. The State recognizes and adopts formal education as its main instrument to attain national educational goals and objectives. It has two equally important sub-systems: the private school system and the public school system.

The State recognizes the complementary roles of public and private institutions in the educational system and shall exercise reasonable supervision and regulation of all higher education institutions.

Section 7. Objectives. Higher education shall have the following objectives:

- 1) To provide a general education program that will assist each individual to develop his potential as a human being, enhance the quality of citizen participation in the basic functions of society, and promote in each student a sense of national identity, cultural consciousness, moral integrity and spiritual vigor.
- 2) To train the nation's human resources in the required skills for national development, and to instill and foster the appropriate and relevant attitudes, skills and knowledge to enable each individual to become a useful, productive, globally competitive, and gainfully employed member of the society.

- 3) To develop and maintain the integrity of the professions and disciplines that will provide leadership for the nation.
- 4) To advance the frontiers of knowledge through research work, and apply the technology gained for improving the quality of human life and responding effectively to changing societal needs and conditions.

Section 8. Levels. Formal Education in the higher level may consist of the following:

1) *Undergraduate Level* –

- a) *Pre-baccalaureate* – a stage of post-secondary study usually ranging from one to two years leading to associate/certificate and diploma; a preparatory level of degree programs.
- b) *Baccalaureate* – This encompasses programs, usually four or five years in length, leading to a Bachelor's degree in a given discipline or profession.

2) *Graduate Level* –

- a) *Master's* – This requires a bachelor's degree as a minimum qualification for entry, usually one or two years of study and usually with a thesis requirement.
 - b) *Doctoral* – This requires a master's degree as a minimum qualification for entry. It also requires the student to do significant original research for his dissertation.
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Article III

ALTERNATIVE SYSTEMS IN EDUCATION

Section 9. Policy. The Commission recognizes that education and acquisition of higher learning take place both within and beyond the confines of the classrooms. The Commission recognizes the need to formally acknowledge higher learning obtained from informal and non-formal systems of education. The recognition shall be embodied in an instrument acceptable by the general public.

Section 10. Objectives. The objectives of the alternative systems in education are:

- 1) To make quality higher education accessible to a greater number of qualified students who are otherwise isolated by geographical location, personal and work commitments, time constraints, and conventional course structures.
- 2) To establish a mechanism for assessment and accreditation of prior learning from non-formal and informal education and training, and from related work experiences of individuals toward the granting of equivalency certificates and awards in higher education.
- 3) To establish guidelines for the award of higher education certificates and/or degrees to deserving individuals.

Section 11. Alternative Systems. These systems shall include but not limited to the following:

- 1) "*Distance Education*" a mode of educational delivery, whereby, the teacher and learner are separated in time and space, and instruction is delivered through specially designed materials and methods, and supported by organizational and administrative structures and arrangements.
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- 2) ***“The Expanded Tertiary Education Equivalency and Accreditation Program (ETEEAP)”*** a comprehensive program of identifying, assessing and assigning equivalent college-level learning for non-formal and informal training, and demonstrated/substantiated competencies, skills, attitudes and values acquired from related work experience towards the final granting of equivalent credits and/or awarding of appropriate academic degree by deputized higher education institutions. Competency enhancement programs are employed to ensure progression of the individual student in the Program.
- 3) ***“Ladderized Education”*** refers to all education and training mechanisms that allow students' and workers' progression within and between Technical Vocational Education and Training (TVET) and Higher Education (HE).
- 4) ***“E-Learning”*** the delivery of a learning, training or education program by electronic means. It involves the use of computer or electronic device.
- 5) ***“Open Learning”*** a philosophy of learning that is learner-centered and flexible, enabling learners to learn at the time, place and pace which satisfies their circumstances and requirements.

The establishment and operation of the foregoing alternative systems shall be in accordance with the corresponding CHED policies, guidelines and procedures.

C. THE COMMISSION ON HIGHER EDUCATION

Article IV ORGANIZATION AND GENERAL POWERS

Section 12. *Composition.* The Commission is composed of a Chairman, and four (4) Commissioners.

Section 13. *Organization.* The Commission is divided into the Central Office and the Regional Offices. The Central Office consists of the Offices of the Chairman and the Commissioners, the Secretariat and the Higher Education Development Fund. The Secretariat comprises the following main units:

- 1) Office of the Executive Director
- 2) Office of the Deputy Executive Director
- 3) Office of Programs and Standards
- 4) Office of Policy, Planning, Research and Information
- 5) Office of Student Services
- 6) International Affairs Service
- 7) Legal Service
- 8) Administrative and Finance Service
- 9) Human Resource Development Office

Section 14. *Regional Offices.* The Commission has seventeen (17) Regional Offices distributed in the different administrative regions of the country. Each Regional Office is headed by a Regional Director who is responsible in carrying out the functions of the Commission in the region.

The following are the regional offices: (a) Region I; (b) Region II; (c) Region III; (d) Region IV–A CALABARZON; (e) Region IV–B MIMAROPA; (f) Region V; (g) Region VI; (h) Region VII; (i) Region VIII; (j) Region IX; (k) Region X; (l) Region XI; (m) Region XII; (n) National Capital Region; (o) Cordillera Administrative Region; (p) CARAGA; (q) Autonomous Region of Muslim Mindanao.

Section 15. *Supervision Over Higher Education Institutions.* All private higher education institutions shall be established in accordance with law and shall be subject to reasonable supervision and regulation by the Commission. No private higher education institution shall be established, and no higher education program shall be operated, whether formal or through the alternative systems, except pursuant to law and in accordance with this Manual.

Section 16. *Powers and Functions of the Commission.* The Commission shall have the following powers and functions:

- 1) formulate and recommend development plans, policies, priorities, and programs on higher education and research;
 - 2) formulate and recommend development plans, policies, priorities and programs in research;
 - 3) recommend to the executive and legislative branches, priorities, and grants on higher education and research;
 - 4) set minimum standards for programs and institutions of higher learning recommended by panels of experts in the field and subject to public hearing, and enforce the same;
 - 5) monitor and evaluate the performance of programs and institutions of higher learning for appropriate incentives as well as the imposition of sanctions such as, but not limited to, the diminution or withdrawal of subsidy, recommendation on the downgrading or withdrawal of accreditation, program termination or school closure;
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- 6) identify, support and develop potential centers of excellence in program areas needed for the development of world-class scholarship, nation building and national development;
 - 7) recommend to the Department of Budget and Management the budgets of public institutions of higher learning as well as general guidelines for the use of their income;
 - 8) rationalize programs and institutions of higher learning and set standards, policies and guidelines for the creation of new ones as well as the conversion or elevation of schools to institutions of higher learning, subject to budgetary limitations and the number of institutions of higher learning in the province or region where creation, conversion or elevation is sought to be made;
 - 9) develop criteria for allocating additional resources such as research and program development grants, scholarships, and other similar programs: *Provided*, that these shall not detract from the fiscal autonomy already enjoyed by colleges and universities;
 - 10) direct or redirect purposive research by institutions of higher learning to meet the needs of agro-industrialization and development;
 - 11) devise and implement resource development schemes;
 - 12) administer the Higher Education Development Fund, as desired in Section 10 of Republic Act No. 7722, which will promote the purposes of higher education;
 - 13) review the charters of institutions of higher learning and state universities and colleges including the chairmanship and membership of their governing bodies and recommend appropriate measures as basis for necessary action;
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- 14) promulgate such rules and regulations and exercise such other powers and functions as may be necessary to carry out effectively the purpose and objectives of Republic Act No. 7722;
- 15) perform such other functions as may be necessary for its effective operations and for the continued enhancement, growth or development of higher education;
- 16) to resolve all conflicts within the academic community in the first instance, subject to judicial review as provided in the rules of court when exercising quasi-judicial functions; and,
- 17) to establish an effective system of dispute resolution leading to voluntary arbitration of disputes.

Section 17. *Minimum Standards or Criteria.* The supervision and regulation provided in this Manual are the minimum standards or criteria to operate higher education institutions and degree programs. The institutions may adopt higher standards or criteria consistent with laws, rules and regulations.

Section 18. *Compliance with the Minimum Standards or Criteria: Effects and Entitlement.* A higher education institution that complies with the minimum standards, requirements or criteria as provided for in this Manual and other issuances of the Commission, shall be entitled to the grant of a permit to operate or recognition of a particular degree program. In this connection, the Commission shall issue the corresponding permit or recognition to the higher education institution for the validity of its program operation.

Section 19. *Guarantee of Academic Freedom.* Nothing in this Manual shall be construed as limiting the academic freedom of higher education institutions. In particular, no abridgment of curricular freedom of the individual institution shall be made by the Commission except for: (a) minimum unit requirement for specific academic programs; (b) general education distribution requirements as may be determined by the

Commission; and (c) specific professional subjects as may be stipulated by the various licensing entities.

Higher education institutions shall have the freedom to innovate, introduce and operate new programs in spite of the absence of the particular policies and standards for such programs. *Provided*, that the minimum standards or requirements as provided for in this manual are complied with. *Provided further*, that proper authority will be secured from the Commission before operating such programs.

Finally, no academic or curricular restriction shall be made upon private higher education institutions, which are not required for chartered state colleges and universities, including local colleges and universities (LCUs).

D. PRIVATE HIGHER EDUCATION INSTITUTIONS

Article V

ESTABLISHMENT OF PRIVATE HIGHER EDUCATION INSTITUTIONS

Section 20. *Incorporation of Private Higher Education Institutions; Limitations.* All private higher education institutions shall be established and incorporate as a non-stock or as a stock educational corporation in accordance with the Corporation Code of the Philippines and the Education Act of 1982 (B.P. Blg. 232) as amended by Republic Act No. 7798. Ownership is vested solely upon citizens of the Philippines or to corporations or associations at least sixty percent (60%) of their capital is owned by such citizens, except those schools established or to be established by religious groups and mission boards pursuant to the Constitution and special laws. *Provided*, that the minimum paid-up capital for stock higher education institutions shall not be less than Five Million Pesos (PhP 5,000,000.00), except existing higher education institutions organized as stock corporations, which may retain their original capitalization.

In any event that there is a change in ownership of the institution, it shall be the duty of the Board of Trustees/Regents/Governing Board of the private higher education institution to disclose such change in writing, within thirty (30) days, to the Commission and the members of the academic community.

Section 21. *Articles of Incorporation and By-Laws.* In accordance with the Corporation Code, the Securities and Exchange Commission shall accept, approve and register the articles of incorporation and by-laws of a private higher education institution only upon the favorable recommendation of the Commission.

Any group of persons desiring to open or establish a higher education institution must first secure the permission of the Commission by filing a petition setting forth the following:

- 1) the name and location of the institution or college;
 - 2) the names and addresses of all officers, directors, governing boards and faculties;
 - 3) date of the organization and the intended operation;
 - 4) the total amount of money actually invested and other information relative to the financial condition of the institution or college;
 - 5) a description of the buildings occupied or to be occupied by the institution or college, with full details regarding the number and dimensions of rooms, plumbing and sanitary arrangements, and facilities for the proper lighting and ventilation;
 - 6) a list of required teachers, and assistants, showing their academic degrees, profession, experience and qualifications, and the subjects to be taught by each;
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- 7) complete information concerning the curriculum to be established, with full details regarding the amount of instruction to be given on each subject;
- 8) full information relative to laboratories, equipment and libraries; and
- 9) all other details and data that the Commission may require for the purpose of passing upon the application.

The Commission shall issue a favorable recommendation for the registration of the institution with the Securities and Exchange Commission upon substantial compliance of the foregoing requirements. However, the favorable recommendation shall not be construed as an authority to operate a higher education institution or a permit to conduct higher education programs.

An educational institution offering basic education or post-secondary education courses may also amend its articles of incorporation and by-laws to offer degree programs upon favorable recommendation of the Commission.

No higher education institution shall call itself or be called as a University or University System unless all the requirements for such status shall have been complied with. The status of a university or university system may only be granted in accordance with policies and rules of the Commission.

Section 22. *Establishment of a Foreign Higher Education Institution.*

The establishment and operation of a foreign higher education institution shall be governed by applicable provisions of the Philippine Constitution, laws, and the policies and rules of the Commission. Unless otherwise provided by the Constitution, law, or this Manual, the same terms and conditions or requirements governing the grant of government authority to operate degree programs provided in this Manual, shall likewise be invariably and equally applicable to any foreign institution that may operate any degree program directly or indirectly, in the Philippines.

No higher education institution shall be established exclusively for aliens, and no group of aliens shall comprise more than one-third of the enrollment of any school except for institutions established for foreign diplomatic personnel and their dependents and, unless otherwise provided for by law, for other foreign temporary residents.

Section 23. *Establishment of a Branch and Simple Transfer of Institutional Site or Location.* Except for higher education institutions expressly exempted under this Manual, the establishment of a branch shall require the prior approval of the Commission, where it is located in a separate city or municipality from the main campus. However, the privilege of establishing a branch within the same city or municipality without need for prior approval shall not be applicable in the National Capital Region and its component cities and municipalities.

A school facility shall be considered a branch where (1) a separate site and attendant educational facilities such as building and classrooms specifically for the institution have been established, (2) the branch is offering higher education programs which may also be offered in the main school, and (3) the programs offered in the branch are not restricted to a special clientele such as employees of a company, but are open to the qualified general public.

The institution may, at its discretion, apply as a separate higher education institution rather than as a branch. As such, the applicant must comply with the requirements for the establishment of a new school.

A higher education institution which desires to transfer its institutional site or location shall not be required to apply for a new Government Permit or Recognition provided that: (1) the new site/location is better than the previous location; (2) no new program shall be offered without government authority immediately after the transfer; (3) all the minimum requirements for its programs offered before the transfer are maintained subject to verification by the Commission; and, (4) the Commission is duly informed before the transfer.

Section 24. *Establishment of Extension Classes.* A school facility shall be considered an extension class where it possesses the characteristics of a school branch as above provided, except that (1) administrative and support facilities mentioned are not available at the site but merely the classrooms; (2) enrollment in an extension class is restricted to a special clientele, and not available to the general public; and (3) such extension classes are temporary in nature.

The offering of extension classes under a recognized degree program shall require prior approval of the Commission, and after full compliance with the requirements, as follows:

1. Proof of Level II Accreditation of the degree program; and,
2. Proof of compliance with the policies and rules of the Commission on extension classes.

Section 25. *Dissolution.* The provisions of the Corporation Code of the Philippines on dissolution of corporations shall govern, as far as applicable, the dissolution, liquidation, and distribution of assets of a higher education institution.

Article VI INSTITUTIONAL FACILITIES

Section 26. *Institutional Sites and Buildings.* The school site of every private higher education institutions must be suitable and adequate for its activities. The institution should own the site. If not owned, there should be a definite and feasible program for ownership thereof within a reasonable period, or reasonable and adequate provisions for continued use by the school through a long-term lease or usufruct of at least ten (10) years.

In the selection of a prospective school site, consideration should be given, among others, to such factors as total floor area required for occupancy at any one time, traffic situation in the vicinity, a reasonable distance from other schools already existing, and location and distance from

distractive establishments such as cockpits, dancing halls, bars or recreational places of questionable character, bowling alleys, movie houses, markets, garbage dumps, funeral parlors, jails, cemeteries and others.

School buildings shall be designed and constructed in conformity with the provisions of the Building Code. As much as possible, the school buildings:

- 1) shall be so situated that they are sufficiently far from all fire hazards and that instruction and study can be conducted without undue interference from neighbors and passing traffic, and so arranged that activities going on in classrooms, study rooms, laboratories, or the library do not interfere with each other;
 - 2) shall be adequately planned and constructed that in case of fire, typhoon, earthquake, etc., all students can evacuate the building promptly and safely;
 - 3) shall be equipped with fire escapes, fire extinguishers, and other safety devices;
 - 4) shall have enough lavatories for both sexes which shall, at all times, be kept clean;
 - 5) shall be adequately lighted and ventilated;
 - 6) shall contain sufficient space, furniture and fixtures for the general needs of the administrative staff, faculty and students;
 - 7) shall not be used for private residence or in any way that might directly or indirectly interfere with school operations;
 - 8) shall have an easily accessible and well-furnished, well-equipped library, as well as administrative offices and faculty rooms;
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- 9) shall have adequately outfitted laboratories and equipment for the science courses;
- 10) shall have a sufficient area for student personnel services;
- 11) shall have allotted specific areas for home economics and other vocational courses;
- 12) shall be adequately planned that classrooms and laboratories open on to a corridor; and,
- 13) shall, if a multi-storey building, have at least two staircases with a minimum width of two meters, subject to government regulations. Ramps shall be provided for students with special needs as required by the BP Blg. 344 otherwise known as the "Accessibility Law".

All higher education institutions, are also required to provide for adequate auditoriums, lecture rooms and gymnasiums, and are further required to be sufficiently equipped to give adequate instruction to the public.

In addition, the following are required for school sites and buildings:

- 1) *For Safety*

To ensure the safety of students while in the premises, all higher education institutions are enjoined strictly to observe and follow the applicable provisions of Presidential Decree (PD) No. 1185, otherwise known as the "Fire Code" and PD No. 1059, otherwise known as the "National Building Code".

The Regional Offices are authorized to evaluate and monitor compliance by institutions to the said Presidential Decrees, and to report in writing any violations thereof to the Commission.

Any higher education institution found guilty, after due process, for violations of any provisions of the aforementioned laws, shall be dealt with accordingly, which may include the revocation of permits and/or authority to operate and/or offer courses.

2) *For Sanitation, Waste Disposal and Environmental Hygiene*

In the interest of public health and safety, particularly of students, faculty and non-teaching personnel, all higher education institutions are required to conduct appropriate and effective measures to ensure that all campus facilities and premises are properly maintained according to sanitation and hygiene standards as prescribed by the Code of Sanitation of the Philippines and other pertinent laws.

All higher education institutions are also enjoined to: (1) coordinate closely with local and national government agencies responsible for sanitation and waste disposal; (2) inspect and undertake remedial measures where necessary, potable water supply and distribution systems located in campus; and, (3) institute appropriate preventive and responsive measures to combat the development and spread of communicable diseases on campus.

To prevent and address outbreak of water and food-borne diseases in campuses, all higher education institutions are further required to conduct the following activities as part of student services:

- a) monitoring and assurance of potable water supply;
 - b) maintenance of cleanliness and sanitation of school surroundings, including comfort rooms and canteens;
 - c) health and sanitation clearances of food handlers;
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- d) sanitary preparations and serving of foods and beverages;
- e) proper refrigeration of foods;
- f) appropriate equipping and supply stocking of school clinics; and
- g) conduct of public awareness campaigns, with emphasis on prevention.

Section 27. *Library Standards.* Every higher education institution shall maintain library or libraries for each degree program with adequate collections and materials in accordance with the policies and standards prescribed by the Commission for each degree program. The library collection shall include the following:

- 1) basic collection of well-selected relevant books and non-print materials to support the core needs of the general education curricula;
- 2) such additional specialized collections, periodicals, electronic materials, on-line data bases, internet access and other multi-media resources, not violative of the Intellectual Property Code, as may be necessary to meet the requirements of the various courses of study and major programs offered by each institution; and,
- 3) in view of the advent of new technologies, higher education institutions may establish and provide for an e-library. The presence and availability of this facility may be considered as substantial compliance in lieu of books and other required printed materials. Provided however, that the required minimum collection of professional books in particular degree program shall still be maintained.

Additionally, the library:

- 1) shall vary in extent and nature with the kind of courses offered and the size of the enrollment;
- 2) shall have separate library book collections and materials by educational level, if applicable, and provisions of reading rooms;
- 3) shall be adequate in quality and quantity, including the currency of its collection;
- 4) shall be helpful in serving the needs of scholarship and research; and,
- 5) shall be administered by a professional librarian with library assistant when necessary.

Section 28. *Library Development Program.* Every higher education institution shall adopt a continuing and innovative acquisition and development program for its library, as well as the improvement of facilities and resources.

Section 29. *Textbook Selection Criteria.* Every higher education institution shall use textbooks that are suitable for the degree programs offered, of fairly recent edition, up-to-date in methods of presentation and content, not violative of the Intellectual Property Code, and preferably written by Filipino authors.

Section 30. *Change in Textbooks.* Every higher education institution shall have the right to prescribe its textbooks and instructional materials.

Article VII

INTERNAL ORGANIZATION: ADMINISTRATORS

Section 31. *Governing Board.* Every private higher education institution shall have a governing board that shall exercise general supervision, have exclusive control and direction of all funds, prescribe policies, make rules and regulations and establish practices that are not inconsistent with law and the policies and rules of the Commission.

A private higher education institution organized as a non-stock corporation shall have a Board of Trustees composed of not less than five (5) nor more than fifteen (15) members, provided, that the total number of trustees shall be multiples of five (5), unless otherwise provided for by law.

For an institution organized as Stock Corporation, the provisions of the Corporation Code shall govern the number and term of the Board of Directors.

The control and administration of higher education institutions shall be vested in citizens of the Philippines except those established by religious groups or foreign mission boards. Every member of the Board of Trustees or Directors of a private higher education institution shall possess at least a bachelor's degree.

Section 32. *Qualifications of the Head.* Every private higher education institution shall have a head who may be President, Rector or Director and shall be the chief executive officer responsible for the efficient and effective administration of the institution towards the realization of its goals and objectives.

The head must (1) be a Filipino citizen, except for institutions established by religious groups or foreign mission boards, (2) possess at least a master's degree or a professional license requiring at least a bachelor's degree, (3) have managerial competence or have a background of demonstrated service and competence in his previous field of endeavor, and (4) be of good moral character.

Section 33. *Qualifications and Functions of the Dean.* The dean for undergraduate degree programs shall hold at least a master's degree and, where applicable, a professional license requiring at least a bachelor's degree. However, in specific fields where there is dearth of holders of Master's degree, a holder of a professional license requiring at least a bachelor's degree may be qualified. The dean for graduate degree programs must hold an appropriate doctoral degree and has published research works.

A dean must have at least five (5) years of satisfactory teaching experience and at least two (2) years of satisfactory managerial experience. He shall assist the school head in the attainment of institutional goals and objectives, and shall perform the functions and responsibilities as may be expressly and legitimately prescribed by the school.

The general functions and responsibilities of a dean usually include the following:

- 1) to assist the school head in all matters affecting the general policies of the entire institution;
- 2) to provide academic leadership in his/her college or unit; and,
- 3) to provide overall administrative supervision over all activities in his/her college or unit.

Among the specific duties and responsibilities of a dean are the following:

- 1) to recommend, through channels, the curriculum and program of study to be adopted for approval by the Commission;
 - 2) to recommend the appointment, promotion, or separation of faculty members in his/her college or unit;
 - 3) to recommend subject assignment of faculty members in his/her college or unit;
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- 4) to help formulate educational policies in his college, and to issue necessary rules and regulations for their effective implementation;
- 5) to institute a definite program of supervision to raise the efficiency of instruction;
- 6) to supervise all the curricular and co-curricular activities of all departments under his charge in collaboration with other officials concerned;
- 7) to enforce the institution's policies, rules and regulations on admission and registration of students, transfer of credits, subject loads, subject sequence and subject pre-requisites, scholarship, residence, promotion, and others; and,
- 8) to approve the list of candidates for graduation of the college or department.

A dean may perform such other functions and responsibilities that are inherent to the position.

Section 34. *Qualifications and Functions of the Registrar.* The registrar shall hold a bachelor's degree and have at least three (3) years of training or experience in the servicing and maintenance of student academic records and related school work.

The Registrar shall be responsible for the school records of students, and shall perform the functions and responsibilities that the institution may expressly and legitimately require. Unless otherwise indicated by the school, the Registrar shall be the institution's principal liaison with the Commission.

Every private higher education institution shall preserve and maintain the integrity and confidentiality of its student records. The Registrar shall issue student records in accordance with law and this Manual.

Article VIII
INTERNAL ORGANIZATION:
ACADEMIC AND NON-ACADEMIC PERSONNEL

Section 35. *Minimum Faculty Qualifications.* The minimum qualifications of a faculty in a higher education institution shall be as follows:

1) *For undergraduate programs:*

1. Holder of a master's degree, to teach mainly in his major field and where applicable, a holder of appropriate professional license requiring at least a bachelor's degree for the professional courses. However, in specific fields where there is dearth of holders of Master's degree, a holder of a professional license requiring at least a bachelor's degree may be qualified to teach. Any deviation from this requirement will be subject to regulation by the Commission.
2. For Physical Education: A holder of a degree in Bachelor of Science in Physical Education, or Bachelor of Science in Education, with major or minor in physical education, or any other bachelor's degree with certificate in physical education.
3. For Music Education: A holder of a degree in Bachelor of Music, or Bachelor of Science, with major or minor in music, or any other bachelor's degree with certificate in music.

2) *For graduate programs:*

- a) For the master's program: There shall be at least one (1) full-time faculty who holds a doctoral degree, and at least three (3) full-time faculty who are master's degree holders in the discipline.
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- b) For professional master's program: A holder of at least a professional master's degree. Faculty complement required in specific fields shall be defined in the policies and standards set by the Commission specific to the field.
- c) For the doctoral program: There shall be at least three (3) full-time faculty members who are doctoral degree holders, and who have published research works in refereed journal(s) in the discipline.
- d) For professional doctoral program: A holder of a professional doctoral degree. Faculty complement required shall be defined in the policies and standards set by the Commission specific to the field.

Section 36. Full-time and Part-time Faculty. As a general rule, all private higher education institutions shall employ full-time faculty or academic personnel consistent with the levels of instruction.

A full-time faculty or academic personnel is one who meets all the following requirements:

- 1) Who possesses at least the minimum academic qualifications prescribed under this Manual for all academic personnel;
- 2) Who is paid monthly or hourly, based on the regular teaching loads as provided for in the policies, rules and standards of the Commission and the institution;
- 3) Who devotes not less than eight (8) hours of work a day to the school;
- 4) Who have no other remunerative occupation elsewhere requiring regular hours of work, except when permitted by the higher education institution; and

- 5) Who is not teaching full-time in any other higher education institution.

All faculty or academic personnel who do not meet the foregoing qualifications are considered part-time.

Except when permitted by the higher education institution, all faculty or academic personnel who are at the same time holding positions in the government, whether appointive or elective, shall also be considered part-time.

Section 37. *Full-time Faculty Complement.* In every higher education institution, at least fifty percent (50%) of the courses in the Liberal Arts and Education courses of study shall be taught by full-time academic personnel. This requirement, although desirable, does not apply for the professional courses of study requiring licensure examination or where full-time expertise is not available.

Section 38. *Faculty Classification and Ranking.* Academic teaching positions shall be classified in accordance with academic qualifications, training and scholarship preferably into Professor, Associate Professor, Assistant Professor, and Instructor, without prejudice to a more simplified or expanded system of faculty ranking, at the option of the institution.

An academic teaching personnel, who does not fall under any of the classes or ranks indicated in the preceding paragraph shall be classified preferably as professorial lecturer, guest lecturer, or any other similar academic designation on the basis of his qualifications.

Section 39. *The Other Institution Officials, Academic Support and Non-Academic Personnel.* The officers, including academic personnel, who are occupying supervisory positions involved in the implementation of the policies of the institution, are classified as other institution officials.

Those who perform certain prescribed academic functions directly supportive of teaching, such as registrars, librarians, guidance councilors,

researchers, and others performing similar functions including institution officials responsible for academic matters and affairs shall be considered academic support personnel.

The non-academic personnel of an institution shall comprise the rank-and-file employees of the institution engaged in the administrative functions and maintenance of the institution, but are not classified under the foregoing paragraphs.

Article IX UNIVERSITY STATUS

Section 40. Policy. University status, being a distinctive honor, is reserved only for truly deserving higher education institutions that have proven their excellence in the areas of instruction, research and outreach.

Section 41. Standard Requirements. The Commission, after an evaluation of the application, may grant a university status to a higher education institution that has complied with the requirements as follows:

- 1) **Degree Programs.** The higher education institution currently operates recognized degree programs as follows:
 - a) a four-year program in Liberal Arts;
 - b) a four-year program in the Basic Sciences/Mathematics;
 - c) a four-year program in the Social Sciences;
 - d) at least three (3) other active and duly recognized professional programs that require special studies towards a specific competence and a license to practice; and,
 - e) at least two (2) graduate level programs leading to a doctoral degree.

- 2) **Accreditation.** The higher education institution must have Level III accreditation or its equivalent for at least two (2) of the undergraduate programs, one (1) in the Arts and one (1) in the Sciences, and Level III or its equivalent for any one (1) of its graduate programs.
 - 3) **Instruction.** The higher education institution must exhibit a continuing quest for excellence in instruction through the quality of its educational programs, outstanding achievements of its students, and above national average performance in majority of the programs offered requiring government examinations.
 - 4) **Research.** The higher education institution must maintain a track record of at least three years of high research standards as evidenced by a research program funded by an adequate budgetary allocation and manned by qualified faculty. The results of these researches must be published in refereed journals.
 - 5) **Outreach Program.** The higher education institution must have a credible outreach program which may take the form of continuing education, application of research results, community services and the like.
 - 6) **Faculty Complement.** The institution applying for University Status must comply with the following faculty profile:
 - a) At least fifty percent (50%) of its faculty in the Arts and Sciences must be full time;
 - b) At least twenty percent (20%) must be doctoral degree holders in their area of teaching, at least half of whom must be full time.
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- c) At least thirty five percent (35%) of the total faculty must have master's degrees in their areas of teaching and at least seventy percent (70%) of whom must be full time.
 - d) There must be provisions for reward or recognition of the specialized skills of faculty who are nationally and/or internationally renowned.
- 7) **Site and Buildings.** The higher education institution must own its institutional site and buildings provided with adequate facilities suitable for its activities. The buildings must comply with the requirements provided under Section 26, Article VI of this Manual.
- 8) **Library, Laboratory and Equipment.** The institution's facilities for library, laboratory and physical education, etc., must conform to the standards set by the Commission. Facilities for student access to other libraries and databases through the Internet must be installed.

Section 42. Revocation of University Status. The Commission may revoke the university status granted to a higher education institution for cause and after due process. The inability of an institution to maintain compliance with the substantive conditions provided in the immediately preceding section is considered a valid basis for revocation.

Article X

CENTERS OF EXCELLENCE (COEs) AND CENTERS OF DEVELOPMENT (CODs)

Section 43. Policy. In accordance with the Education Commission Report of 1991 which called for fostering of the development of world class scholarship in the various disciplines in the Philippines, qualified higher education institutions are designated by the Commission as Centers of Excellence or Centers of Development and, as such, are eligible for substantial funding assistance, particularly in the priority programs as determined by the Commission.

Section 44. *Application for COE/COD and the Criteria for Selection.*

Higher education institutions must apply for identification as Center of Excellence (COE) or Center of Development (COD) in those programs where the Commission declared the application for such status open. These higher education institutions may either be invited to apply upon the recommendation of the Technical Panels or may apply on their own initiative.

The selection and identification of COE or COD from among the applicant higher education institutions shall be based on the result of an assessment of the following factors: (a) Instructional Quality; (b) Research and Publication; (c) Outreach Program and Institutional Linkages; and, (d) Institutional Qualifications.

Section 45. *Responsibilities.* Centers of Excellence and Centers of Development shall have the following responsibilities and minimum expectations:

For Centers of Excellence:

- 1) Act as leaders/role models for the discipline in the local, regional and national community.
- 2) Sustain and enhance research capabilities and upgrade professional or research graduate programs in the discipline.
- 3) Provide assistance to agencies/institutions within their locality.
- 4) Undertake other activities and projects necessary for the continuous development of the discipline.

For Centers of Development:

- 1) Develop their instructional programs through faculty development activities and upgrading of facilities and library holdings.
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- 2) Establish linkages with Centers of Excellence in the same discipline to further improve their capability to undertake research in the field.

For Centers of Excellence and Centers of Development that would receive funding assistance from the Commission, the following shall be the responsibilities and minimum expectations:

- 1) accelerate the development of the discipline through strategic development programs and projects;
- 2) develop their instructional program quality through faculty development activities and upgrading of facilities and library holdings;
- 3) undertake basic and applied research activities on emerging trends and advancement in the field; and,
- 4) undertake outreach and linkage projects through regional or national consortia agreements, internationalization activities and industry-academe collaborations.

Section 46. *Benefits.* A higher education institution identified as Center of Excellence or Center of Development in particular degree programs shall enjoy the title and the corresponding benefits for a period as determined by the Commission.

Article XI AUTONOMOUS AND DEREGULATED STATUS OF PRIVATE HIGHER EDUCATION INSTITUTIONS

Section 47. *Policy.* The Commission on Higher Education takes cognizance of the demonstrated and consistent adherence to high standards of instruction, research and scholarships by certain private higher education institutions and thus accords to these institutions special regulatory treatment and benefits through the grant of autonomy and deregulated status.

Section 48. *Criteria for Selection.* The three general criteria used in the selection of an institution for the grant of autonomous or deregulated status are as follows:

- 1) **Long tradition of integrity and untarnished reputation.** This is an attribute ascribed to a higher education institution that has consistently adhered to existing laws, rules and regulations and hence has no record of confirmed violations of Philippine laws, CHED Memorandum Orders (CMOs), and Policies, Standards and Guidelines (PSGs). Integrity and untarnished reputation is a must criterion. Failure to meet this criterion is a ground for disqualification.
- 2) **Commitment to excellence.** This means that the higher education institution demonstrates academic excellence as evidenced by its status as CHED-identified Center of Excellence or Center of Development (COE/COD) in particular academic programs, Level of program accreditation granted by existing recognized accrediting bodies as certified by the Federation of Accrediting Agencies of the Philippines (FAAP), or category granted by the CHED through the Institutional Monitoring and Evaluation for Quality Assurance (IQuaME). Other forms of existing quality assurance mechanisms applicable to Philippine higher education institutions may be considered by the higher education institution to demonstrate its commitment to excellence.
- 3) **Sustainability and viability of operations.**

Section 49. *Benefits of Autonomous Status.* Private higher education institutions granted autonomous status by the Commission shall enjoy the following benefits:

- a) Exemption from the issuance of Special Order (S.O.) for their graduates.
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- b) Free from regular monitoring and evaluation by CHED. However, in cases when there will be complaints filed against the private higher education institutions, or there are reported violations of existing laws, rules and regulations by the private higher education institutions, or there are sensational issues/problems raised about the operation of the private higher education institutions, the CHED may conduct verification, monitoring or investigation activities.
 - c) Priority in the grant of subsidies and other financial incentives/ assistance from the Commission on Higher Education whenever funds are available.
 - d) Privilege to determine and prescribe their curricular programs to achieve global competence. In case of curricular revisions, for record purposes, the private higher education institutions should inform the CHED Central Office at least one semester prior to the start of the intended academic year the revised curriculum shall be implemented. The revised curriculum shall be applicable only to the entering students of the specified academic year.
 - e) Privilege to offer new course(s)/ program(s) in the undergraduate or graduate level without securing permit/ authority from CHED except in disciplines that are under moratorium. The private higher education institutions can offer a maximum of two (2) new courses/ programs in a given academic year and should ensure that the CHED minimum requirements as embodied in the existing policies, standards and guidelines (PSGs) for a particular degree program are fully complied with. The private higher education institutions should inform the CHED Central Office of the new course(s)/ program(s) at least one semester prior to the start of the academic year such will be offered. The institutions should also inform the CHED Regional Office in January, six months before the start of the new academic year for which the new program(s)/course(s) will be offered.
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- f) Privilege to establish branch/es or satellite campus/es without securing government authority from CHED. The private higher education institutions should ensure that the new branch/campus complies with the CHED minimum requirements with regard to the establishment of a new higher education institution and the existing CHED PSGs for the course(s)/program(s) to be offered. The private higher education institutions should inform the CHED Central Office at least one semester prior to the start of the intended academic year that the new branch/campus shall operate.
- g) Privilege to offer extension classes and distance education course(s)/ program(s) to expand access to higher education, and to establish affiliation with recognized foreign higher education institutions in pursuit of international standards of education. The private higher education institutions should ensure that the existing CHED PSGs for the offering of extension classes and distance education programs are fully complied with.
- h) The private higher education institutions should also ensure that the existing CHED PSGs for twinning/ networking/ linkage programs are fully complied with. The private higher education institutions should inform the CHED Central Office at least one semester prior to the start of intended academic year such will be offered or established.
- i) Authority to grant *Honoris Causa* to those deserving, per pertinent provisions of existing CHED issuance on conferment of honorary degrees.

Section 50. *Benefits of Deregulated Status.* The benefits granted to autonomous private higher education institutions shall likewise be accorded to institutions with deregulated status, except the privileges provided in item letters e, f, and g of Section 49, Benefits of Autonomous Status in this manual.

Section 51. *Conditions of Grant.* Private higher education institutions granted autonomous and/or deregulated status are required to submit to the concerned CHED Regional Office their enrollment list per semester, graduation list of the current school year, and other institutional data/information as part of data gathering of CHED for the Higher Education – Management Information System (HEMIS) following the prescribed format or specifications and deadline set for submission.

Section 52. *Re-evaluation of Status.* Six (6) months before the expiration of the grant, the CHED shall evaluate the private higher education institutions granted autonomous and deregulated status to determine retention/ withdrawal or upgrading/downgrading of the status. The criteria for evaluation shall be the same when the status was granted; otherwise if there is any change in criteria, the school shall be given a period of two years from notice within which to comply.

E. HIGHER EDUCATION PROGRAMS

Article XII

OPERATION AND RECOGNITION OF PROGRAMS

Section 53. *Establishment and Recognition Distinguished.* The establishment of a private higher education institution refers to the creation, founding or organization of an entity resulting in its legal existence as a higher education institution. Recognition presumes an existing institution and refers to the authority granted by the Commission for the institution to conduct or operate a degree program. Establishment precedes recognition.

Section 54. *Authority to Operate.* No private higher education institution shall operate any degree program without the approval of the Commission. The authority to operate degree programs shall be applied for, and shall be granted by the Commission in two different phases. For programs in the undergraduate level, the grant of authority to operate

consists of: (a) the Permit Phase, and (b) the Recognition Phase. For programs in the graduate level, applications for authority to operate shall immediately be for recognition.

Section 55. Nature of Permit or Recognition. The permit or recognition shall be exclusive to the grantee and subject to the conditions set forth therein. The permit or recognition cannot in anyway be alienated or be subject of any contract.

Section 56. The Permit Phase. The grant of authority to operate a degree program begins with the Permit phase as follows:

- 1) A duly established private higher education institution desiring to open a new degree program, through its Chairman of the Governing Board, or its president or head when so authorized by the Governing Board, shall file with the Regional Office concerned an application or petition under oath for a permit to operate a degree program **not later than June 30** of the year preceding the intended academic year of operation, setting forth among others the requirements enumerated under Section 21 of this Manual, *provided*, that a letter of intent submitted without the supporting documents required hereof shall not be considered an application.
 - 2) The Regional Office shall assess the completeness of the documentary requirements in the application and shall inform the applicant higher education institution of the deficiencies noted, if any, **not later than September 30** of the same year the application was filed. In which case, the applicant higher education institution shall be allowed to comply with the deficiencies **not later than October 31** of the same year.
 - 3) When all documentary requirements are complete, the Commission shall dispatch a Quality Assessment Team to conduct an ocular inspection and evaluation of the applicant
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institution's compliance with the minimum standards set for the program applied for, **not later than November 30** of the same year the application was filed.

- 4) After the inspection and evaluation, the applicant higher education institution shall be officially informed of the deficiencies, if any, **not later than December 15** of the same year and shall be given **until January 31** of the following year to correct the same. Thereafter, the Commission, through the Quality Assessment Team, re-evaluates and validates compliance with the CHED requirements. In any case, a written approval or disapproval of the application shall be issued **not later than February 28** of the same year.

Applications for permit not disapproved within the above-prescribed period, are deemed approved.

If the application for permit is disapproved, only one appeal for reconsideration shall be allowed. The appeal shall be filed with the Commission within one (1) month from receipt of the written disapproval by the applicant institution. If the Commission does not favorably consider the appeal, the application for permit shall be considered for the next school year subject to compliance of the requirements for the program applied for.

The initial permit to operate, as described above, applies only to the first and second year levels of the program applied for, and shall be granted only after the first and second year level requirements are met. On the second year of operation of the degree program, the higher education institution must apply for permit to operate the third year level or may apply for recognition if the applicant institution has complied all the requirements for the continuous operation of the degree program applied for.

A permit to operate which had been previously issued shall be considered renewed and continue to be valid for purposes of graduating students during the period where the higher education institution has

already applied for recognition of the program and the Commission has not officially responded to the same in writing, either favorably or unfavorably, through no fault of the applicant institution.

A higher education institution which attained Level III accreditation for Arts and Sciences and for three (3) other professional courses may open and operate a new degree program in any field without prior approval from the Commission, *provided*, that the Commission through the Office of Programs and Standards and the Regional Office concerned are informed in writing of the opening of the new degree program, and *provided further*, that the opening of the new degree program meets the minimum requirements set by the Commission.

All institutions must post copies of new permits and recognition of their programs on bulletin boards located inside their campuses.

Section 57. *The Recognition Phase.* At the start of the third year of operation of the degree program under permit, the higher education institution must file an application to the Commission for the recognition of such program. Upon such application, the Commission shall conduct an assessment of compliance of the applicant institution, and if all the minimum requirements for the operation of the program are met, the Commission shall issue the corresponding Certificate of Recognition.

An application for government recognition signed under oath by the President/ Head of the applicant institution shall be filed with the Regional Office concerned not later than the first working day of November of the school year prior to that for which recognition is sought.

An application for recognition not disapproved within a period of three (3) months from date of filing shall be deemed approved.

If the application for recognition is disapproved, only one appeal for reconsideration shall be allowed. The appeal shall be filed with the Commission within one (1) month from receipt of the written disapproval by

the applicant institution. If the Commission does not favorably consider the appeal, the decision of the Commission denying the appeal shall be final and executory.

Section 58. *Validity of the Government Recognition.* The Certificate of Recognition granted for a degree program shall remain valid, unless withdrawn or revoked for cause. After due process, the Commission shall issue a written order of revocation or withdrawal.

Section 59. *Effects of Government Recognition.* A Certificate of Recognition issued by the Commission to a higher education institution for a particular degree program shall have the following effects:

- 1) it authorizes the higher education institution to confer the students who have completed a program including a ladderized program, a certificate, title, diploma, or degree, whichever is applicable; and,
- 2) it entitles the graduates of recognized programs to all the benefits and privileges enjoyed by graduates of similar recognized programs in all higher education institutions authorized by the government.

Section 60. *Effects of the Disapproval/Denial of Recognition.* The disapproval or denial of an application for the Recognition of a degree program shall have any or all of the following effects:

- 1) closure of either the higher education institution or the degree program, for lack of authority to operate;
- 2) in exceptional cases, issuance of a special authority or permit to enable the higher education institution to operate the degree program until the last curricular year, or for a period of one academic year or term;

- 3) disqualification of the higher education institution from conferring any title or degree or awarding any certificate or diploma to students enrolled in a non-recognized degree program;
- 4) disqualification of the higher education institution from applying for another authority or permit to operate another degree program;
- 5) forfeiture of the permit or recognition bond, if any, filed by the higher education institution, in favor of the Government pursuant to existing rules and regulations; and
- 6) the payment of fine by the higher education institution as may be determined by the Commission.

Section 61. Closure of a Program. The closure of any degree program offered by a certain higher education institution may either be voluntary or involuntary. In any case, the closure may be outright or done through phase-out process. The institution shall remain obligated to furnish the necessary transfer credentials and records to students affected by the closure.

- 1) *Voluntary closure of a degree program through phase-out process*, when the higher education institution, for valid cause, on its own initiative, chooses to close any of its programs offered through phase-out process, *provided*, that no freshman student shall be admitted for enrollment beginning the school term the closure shall take effect; *provided further*, that students that are already in the second, third and fourth year levels of the program shall be allowed to finish their study until graduation or to transfer to other institutions, at the option of the student(s) and provided finally, that the Commission shall be duly informed before the closure takes effect.
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- 2) *Voluntary but outright closure of a degree program*, when the higher education institution, for valid cause, on its own initiative, chooses the outright closure of any of its degree programs offered, provided, that the higher education institution shall assist and facilitate the immediate transfer of the students affected by the closure, and provided further, that the Commission shall be duly informed before the closure takes effect.
- 3) *Involuntary closure of a degree program*, when the Commission, for just cause and after due process, orders the phase-out or outright closure of a degree program by revoking the permit or certificate of recognition previously issued. The Commission shall determine the grounds thereof.

In any case, the termination or closure of a degree program shall be effected at the end of an academic year.

Section 62. Closure of a Higher Education Institution. The closure of a higher education institution may also be voluntary or involuntary. In any case, the closure of a higher education institution may also be outright or done through phase-out process. The higher education institution shall remain obligated to: (1) furnish the necessary transfer credentials and records to students affected by the closure; and (2) cause the preservation of all the students' academic records by submitting the same to the CHED Regional Office concerned or to the National Archives Office.

- 1) *Voluntary closure of a higher education institution through phase-out process*, when the higher education institution, for valid cause, on its own initiative, chooses to terminate its existence as an educational institution through gradual phase-out of all of its degree programs offered, *provided*, that the conditions set-forth for phase-out process in the immediately preceding section shall apply.

- 2) ***Voluntary but outright closure of a higher education institution***, when the higher education institution, for valid cause, on its own initiative, chooses to terminate its existence as an educational institution by outright closure of all of its degree programs offered, *provided*, that the conditions set-forth for outright closure in the immediately preceding section shall apply.
- 3) ***Involuntary closure of a higher education institution***, when the Commission, for just cause and after due process, orders the outright or gradual closure of a certain higher education institution by revoking all the permits or certificates of recognition previously issued. The Commission shall determine the grounds thereof.

In any case, the termination or closure of a higher education institution shall be effected at the end of an academic year.

Section 63. *Actions for Revocation of Permit to Operate or Recognition.* Any action for closure or termination of a degree program must be in accordance with existing policies and rules of the Commission and applicable laws. Upon receipt of a verified complaint or petition for revocation, the Commission may, when public welfare demands, *motu proprio*, order a higher education institution to cease and desist from operating the degree program pending the outcome of the complaint.

The Commission shall inform the higher education institution in writing of the substantial deficiencies or grounds leading to revocation of permit or certificate of recognition, and shall require the institution to explain in writing, or remedy the deficiencies or violations within a reasonable period determined by the Commission. Thereafter, the resolution or order of revocation of permit or certificate of recognition shall be issued if the explanation is found unsatisfactory, or for failure to correct the deficiencies.

Any resolution or order for revocation of permit or certificate of recognition shall be approved by the Commission *en banc* upon the recommendation of the Regional Director.

The certificate of recognition may also be revoked, or reverted to a permit for a period of one academic year without prejudice to institution of actions and imposition of appropriate sanctions against the responsible higher education institution officials, for any of the causes as follows:

- 1) fraud or deceit committed by the institution in connection with the application to the Commission for Government permit or Government recognition;
- 2) unauthorized operation of a new institution or branch, or a new degree program or course of study, or any major components thereof;
- 3) mismanagement or gross inefficiency in the operation of the institution or its degree programs or courses of study;
- 4) gross inefficiency of the academic personnel in the discharge of their assigned functions;
- 5) violation of approved standards governing institution advertisements or announcements;
- 6) violation of the constitutional prohibition on ownership and control of educational institutions, or the appointment of administrators who do not meet the qualification standards set by the Commission;
- 7) operation or re-opening of a recognized degree program not operated for more than two (2) academic years or more, without confirmation from the Commission that all the minimum requirements or standards are still complied with;

- 8) transfer of the institution to a site or location detrimental to the operation of its programs, or the transfer of which resulted to failure of the institution to maintain compliance with minimum requirements for the operation of its programs; and
- 9) permission, approval, or commission of practices or activities that are contrary to law, public policy, public order, or morals, or inimical to integrity of the Philippine educational system.

Within sixty (60) days from receipt of the notice of revocation or reversion, the higher education institution may file a request for reconsideration, indicating specifically the grounds thereof and its responses to the specific adverse findings that led to the revocation or reversion. Only one motion for reconsideration shall be allowed by the Commission.

Section 64. *School Advertisement.* Any advertisement or announcement referring to the degree programs being offered which are under permit status shall include the words "*As per Commission on Higher Education Permit Number...*".

It is prohibited for any private higher education institution to advertise or cause the publication of any advertisement or announcement before a permit to operate is granted by the Commission.

Section 65. *Prohibited Acts; Penalties.* The operation of any higher education institution or degree program; the operation of a branch or extension, whether locally or foreign-based; the operation of any entity representing itself as a higher education institution when it is not legally established as such; or the issuance of any certificate, degree or title by an institution without prior permit or authorization issued by the Commission, are hereby declared punishable acts subject to civil and criminal penalties and administrative sanctions as provided by law.

It shall be unlawful for any higher education institution to offer or enroll any student in any degree program without prior permit to operate or authority issued by the Commission.

Any person convicted for any of the above-mentioned offenses shall be punished with a fine of not less than twenty thousand pesos (P20,000.00) nor more than one hundred thousand pesos (P100,000.00) or imprisonment for a maximum period of two (2) years or both at the discretion of the Court. If the institution commits the act, the official responsible for the offense shall be liable, without prejudice to the imposition of any administrative sanction against the higher education institution concerned by the Commission.

Article XIII GRADUATE EDUCATION

Section 66. Policy. Graduate Education is at the apex of the educational system. As such, it shall showcase the best of the academic and intellectual products and processes of the system. Specifically:

- 1) Graduate education shall be so structured as to enhance quality, efficiency and effectiveness in higher education;
- 2) Graduate education shall be made more relevant and responsive to the development needs of the educational system as well as to the regional and national development thrusts; and
- 3) Graduate education shall take the lead role in enhancing the quality of Philippine higher education towards global competitiveness and world-class scholarship.

Section 67. Structure of Graduate Education. Philippine graduate education shall, if feasible, be vertically articulated by discipline.

The Commission recognizes that advanced degrees are of two types: practitioner's graduate degrees and research degrees.

Section 68. *Standard Requirements.* Level III accreditation shall be a major consideration in granting government authority to offer graduate programs. COEs/CODs or Level II accreditation with a strong research program shall also be considered in granting government authority to offer graduate programs.

Article XIV ACCREDITATION

Section 69. *Policy.* For higher education institutions which desire to meet the standards of quality over and above the minimum required for government recognition and in aid of its regulatory functions, the Commission encourages the use of the mechanism of voluntary accreditation. Towards this end, it shall (1) maintain a policy environment, which enhances the private and voluntary nature of accreditation and protects its integrity, and (2) establish a scheme for progressive deregulation of qualified higher education institutions or specific programs of such institutions.

Section 70. *Certifying Agency.* For the purpose of grant of deregulated status and other benefits, the Commission recognizes the Federation of Accrediting Agencies of the Philippines (FAAP) as the agency to certify, pursuant to its general or common standards, the accredited status of private higher education institutions and their programs.

The accrediting agencies now federated under FAAP are hereby recognized and authorized to continue their accreditation activities. Specifically, these agencies are (1) the Philippine Accrediting Association of Schools, Colleges and Universities, (2) the Philippine Association of Colleges and Universities Commission on Accreditation, (3) the Association of Christian Schools, Colleges and Universities Accrediting Agency, Inc. and (4) Technical Vocational Education Accrediting Agency of the Philippines. For brevity, these accrediting agencies are commonly referred to as PAASCU, PACU-COA, ACSCU-AAI and TVEAAP, respectively. However, this recognition shall be without prejudice to the subsequent inclusion of such additional accrediting agencies as may be recognized by the FAAP.

Section 71. Recognition of Accrediting Bodies/ Agencies/ Associations. The Commission, from time to time, shall issue formal recognition to accrediting bodies for higher education institutions, subject to the guidelines as it may prescribe.

Section 72. Levels of Accreditation Status. The levels of accreditation status are as follows:

- 1) **Candidate Status** – for programs which have undergone a preliminary survey visit and are certified by the federation/network as being capable of acquiring accredited status within two years.
- 2) **Level I Accredited Status** – for programs which have been granted initial accreditation after a formal survey by the accrediting agency and duly certified by the accreditation federation/network, effective for a period of three years.
- 3) **Level II Re-Accredited Status** – for programs which have been re-accredited by the accrediting agency and duly certified by the accreditation federation/ network, effective for a period of three or five years based on the appraisal of the accrediting agency.
- 4) **Level III Re-Accredited Status** – for programs, which have been re-accredited and have met the additional criteria/guidelines set by the federation/network for this level.

Level III Re-Accredited undergraduate programs must satisfy the first two of the following criteria and two others of the succeeding ones:

- a) A reasonably high standard of instruction;
- b) A highly visible community extension program. A description of the programs, the nature and extent of student, faculty and staff involvement, and other details shall be required documentation for this indicator;

- c) A highly visible research tradition. The following must be observable over a reasonable period of time:
 - c.1 provision for a reasonable budget,
 - c.2 quality of completed outputs,
 - c.3 measurable result such as publication, and others,
 - c.4 involvement of a significant number of faculty members,
 - c.5 visible, tangible and measurable impact on the community.
- d) A strong faculty development tradition evidenced by an appropriate budget allocation and/or systematic plan for faculty development programs;
- e) A highly creditable performance of its graduates in licensure examinations over the last three (3) years; (will apply only to those programs where such examinations are required);
- f) Existence of working consortia or linkages with other schools and/or agencies. Documentary evidence shall include a description of the nature, mechanism, working arrangements and other details of consortia;
- g) Extensive and functional library and other learning resource facilities.

Level III accredited graduate programs must satisfy "a" and "c" and any two (2) of "b", "d", "e", "f", "g" above.

The institutions must submit pictorial and documentary evidence to support its claims.

Only programs that have been granted "clean" re-accreditation, meaning that no progress report on interim visit is required within the five-year accreditation period, may apply for Level III status.

- 5) ***Level IV Accredited Status*** – accredited programs, which are highly respected as very high quality academic programs in the Philippines and with prestige and authority comparable to similar programs in excellent foreign universities.

These programs must have met the following additional criteria/ guidelines:

Excellent outcomes in –

- a) Research as seen in the number, scope and impact of scholarly publications in refereed national and international journals;
- b) Teaching and learning as proven in excellent performance of graduates and continuing assessment of student achievement;
- c) Community service and the impact of contributions to the economic and social uplift, on both regional and national levels;
- d) Evidence of international linkages and consortia; and,
- e) Well-developed planning processes which support quality assurance mechanisms.

Higher education institutions should provide adequate documentation in support of application for Level IV accredited status.

Section 73. Benefits of Program Accreditation. In general, the benefits of accreditation for the duration of accredited status for higher education institutions classified by levels shall be, among others, administrative and academic deregulation, and the grant of subsidies and other similar financial incentives subject to approval of fund appropriations as part of the national budget process. The benefits provided for the different accreditation levels are as follows:

- 1) *Level I/Level II*
 - a) full administrative deregulation, *provided*, that the reports of promotion of students and lists of graduates are available for review by the Commission at all times;
 - b) financial deregulation in terms of setting of tuition and other school fees and charges;
 - c) authority to revise the curriculum without the Commission approval provided that the Commission and the Professional Regulation Commission minimum requirements and guidelines, where applicable, are complied with and the revised curriculum is submitted to the Regional Office concerned;
 - d) Authority to graduate students from accredited programs in the levels accredited without prior approval of the Commission and without need for Special Orders;
 - e) priority in the awards of grants/subsidies or funding assistance from the Commission on Higher Education (CHED) - Higher Education Development Fund (HEDF) for scholarships and faculty development, facilities improvement, and other development programs;
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- f) right to use on its publications or advertisements the word "ACCREDITED" pursuant to the Commission policies and rules; and,
- g) limited visitation, inspection and/or supervision by the Commission supervisory personnel or representatives.

2) *Level III*

- a) all the benefits for Level I/II;
- b) authority to offer new programs allied to existing Level III programs without need for prior approval, *provided*, that the Regional Office concerned is duly informed; and,
- c) privilege to apply for authority to offer new graduate programs, distance education, and extension classes and to participate in transnational education.

3) *Level IV*

- a) all the benefits for Levels I, II and III;
- b) grant of full autonomy for the program for the duration of its Level IV accredited status; and,
- c) authority to offer new graduate programs allied to existing Level IV programs, distance education and extension classes without need for prior approval by the Commission *provided*, that the Regional Office concerned is duly informed.

Article XV
INTERNATIONAL LINKAGES AND TWINNING PROGRAM

Section 74. Policy. It is the policy of the Commission to internationalize higher education in the country in order to facilitate the development of human resource base that will be responsive to the demands of the 21st century.

Section 75. Guidelines. The operation of international linkages and twinning programs shall be in accordance with the Commission's policies, standards and guidelines.

Article XVI
TRANSNATIONAL EDUCATION

Section 76. Policy. The Commission recognizes that globalization, changing foreign policies, and liberalization of trade in goods and services worldwide have created a climate for borderless teaching and learning as well as expanded the opportunities for transnational education. This phenomenon, together with rapid developments in information and communications technology, promotes access to foreign qualification, degrees, certificates and diplomas. It also encourages Philippine universities, colleges, and training institutions to offer credits and degrees in a borderless environment. The potential of transnational arrangements to provide education that meets human, social, economic and cultural needs can only be achieved by ensuring the provision of quality educational services.

Transnational education is a matter of critical public interest in terms of relevance of content to national needs and the need to safeguard the interests of legitimate education providers and the general public. Quality assurance, audit, accreditation and similar activities protect the interests of various stakeholders in transnational education.

Guided by the principles adopted by the UNESCO/Council of Europe as stated in the Code of Good Practice in the Provision of Transnational Education (June 2001), the Commission recognizes the Philippine commitments to bilateral, regional and multilateral trade agreements such as the General Agreement on Trade in Services and the ASEAN Framework Agreement on Services. The Commission also recognizes Article 5 (f) of the 1963 Vienna Convention on Consular Relations regarding the role of consular offices to act as notary in the authentication of relevant documents.

Section 77. Guidelines. The provision of transnational education services shall be in accordance with the Commission's policies, standards and guidelines.

Article XVII SCHOOL CALENDAR AND CLASS SIZE

Section 78. School Calendar. The Commission shall issue the standard school calendar for every academic year applicable to higher education institutions not later than January of the preceding academic year.

All higher education institutions shall begin classes in June.

The calendar requirements are as follows:

- 1) The academic year for collegiate courses shall consist of not less than thirty-six (36) weeks, or eighteen (18) weeks a semester, or its equivalent of normally six (6) school days each week, exclusive of approved vacations and inclusive of legal and special holidays and days for special activities. In any case, the total number of days on which regular school sessions are held shall not be less than two hundred (200) or one hundred (100) each semester, exclusive of all holidays and registration days, and class days suspended due to natural or man-made causes.
- 2) The summer term for collegiate courses shall consist of the number of hours per unit as prescribed by the Commission.

The standard period of every subject shall be one hour. A one-hour lecture or recitation each week or a total of not less than seventeen hours in a semester, shall be equivalent to one unit of college credit. Two or three hours of laboratory work, drafting, shop or fieldwork shall be equivalent to one hour of classroom lecture or recitation work.

Higher education institutions opting to adopt school calendar or school term other than herein specified shall seek prior approval from the Commission.

Section 79. *Change in School Calendar.* Any change in the prescribed school calendar shall require the approval of the Commission. The application shall be filed with the Regional Office concerned not later than fifteen (15) day before the opening of the school term. In case of exchange or substitution of school days for school holidays, no prior approval is required, *provided*, that the prescribed school calendar requirement is maintained, and *provided further*, that the Regional Office concerned is informed at least one (1) week prior to the substitution.

Section 80. *Class Size.* The class size in every subject of a higher education institution shall be determined by the institution itself, taking into account the total capacity of its facilities, the level of instruction, the nature of the subject, and such other factors that promote a conducive teaching-learning process.

Article XVIII STUDENT ADMISSION

Section 81. *Admission Requirements.* A student who graduates from the secondary level of education from the Department of Education shall be eligible for admission to any degree program. However, a student who has not completed the secondary level, but who has qualified in the Philippine Educational Placement Test (PEPT) may be eligible for admission.

A graduate of a foreign secondary school who may not fully satisfy the specific requirements of a certain degree program may be admitted, *provided*, that any deficiency shall be corrected during his initial school term.

A student who did not graduate from high school, but completed at least eleven curriculum years in elementary and secondary education in other countries may be favorably considered for admission to a degree program, at the discretion of the admitting institution, *provided however*, that those who completed the 12th grade may be given advance credits at the discretion of the admitting higher education institution.

Section 82. *Admission of Foreign Students.* In addition to the conditions for admission of a foreign student into any degree program provided by law and the policies and rules of the Commission, it must be shown that the foreign student has the means sufficient to support his education or study in the Philippines.

Section 83. *Right to Enroll Until Graduation.* In recognition of the Constitutional guarantee of institutional academic freedom, admission to any higher education institution is open to all students not otherwise disqualified by law or by the policies and rules of the Commission or the higher education institution.

Except in cases of academic delinquency; violation of rules and regulations of the institution; failure to settle due tuition and other school fees, and other obligations; sickness or disease that would prevent the student to handle the normal pressures of school work or his continued presence thereat would be deleterious to other members of the academic community; and, the closure of a program by the institution, or the closure of the institution itself, a student who qualifies for enrollment shall qualify to stay for the entire period for which he is expected to complete his program of study in the institution, without prejudice to his right to transfer to institutions within the prescribed period.

Section 84. Rules of Registration. The enrollment or registration of a student in a higher education institution shall be held during registration days as indicated in the approved school calendar. It shall be conducted in accordance with pertinent procedures of the institution, and is subject to the rules as follows:

- 1) The enrollment or registration is for the entire term, i.e., semester, trimester.
 - 2) A student may enroll after the lapse of the registration period specified in the approved school calendar, and be admitted in accordance with the reasonable rules of the institution for late enrollment, but in no case shall exceed two (2) weeks after the opening of classes. Thereafter, no further enrollment shall be allowed.
 - 3) After enrollment, the transfer of a student to another institution is discouraged, especially when the student is expected to graduate during the academic year.
 - 4) However, a student may transfer to another institution during the school term provided the consent of both institutions concerned is obtained.
 - 5) No student shall be accepted for enrollment unless he presents the proper school credentials on or before the end of the enrollment period for the school term.
 - 6) A student is deemed officially enrolled after he has submitted his appropriate admission or transfer credentials; made an initial payment of his tuition and other fees to the institution and was allowed to attend classes by the institution.
 - 7) For purposes of enrollment, the name and other personal data or circumstances of each student as indicated in his birth certificate or alien certificate of registration, where applicable, shall prevail.
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Section 85. Admission Credentials. The admission credentials required for the enrollment of a student, who enrolls at the beginning of the school term, are the following:

- 1) For admission into the first year of any degree program, the uncanceled report card (Form 138) or its equivalent from the school last attended with the eligibility certificate indicated and signed by the authorized school official. The report card or its equivalent shall be deemed canceled upon the enrollment of the student in the degree program, and the admitting school shall immediately request for the permanent record (Form 137) from the school last attended.
- 2) For admission into second year and subsequent years of any degree program, the prescribed transfer credential, normally a Certificate of Transfer, from the institution last attended.
- 3) Where a student is unable to present the required school record or credential indicated in sub-paragraphs 1 and 2, a certificate issued by the Chairman of the Commission or his duly authorized representative will be required.

In no case shall any institution officially enroll a student who has not presented the proper admission credentials as required by this Section. Any violation of this rule may subject the institution to possible administrative penalties and sanctions, which may include, but not limited to, the revocation of permit or recognition.

Section 86. Enrollment List and Other Information. All higher education institutions shall regularly submit information on enrollment, graduation, teacher qualifications, and such other data as may be required, in the form and on a date prescribed by the Commission.

Section 87. *Special Students.* Special students are those gifted or talented, the fast learners, the mentally retarded, the visually impaired, the hearing impaired, those with behavior problems, orthopedically handicapped, those with extraordinary health problems, the learning disabled, the speech impaired or multi-handicapped.

All higher education institutions are encouraged to admit special students needing special education whether in degree, vocational or technical courses and other training programs.

Institutions with "Teacher Training Programs" are enjoined to include Special Education (SPED) courses at the undergraduate and graduate levels of the said programs, as well as in other related programs. Whenever possible, said institutions shall offer scholarship programs to qualified SPED teachers, in coordination with the Commission and other government and non-government agencies.

Section 88. *Special Needs Education.* All higher education institutions are encouraged to give importance to the following modified educational facilities and equipment, as minimum requirements, for special students needing special education.

- 1) *For persons with visual impairment* – sensory and tactile materials, Braille books and record materials, Braille writing, painting and reading machines, orientation and mobility equipment.
 - 2) *For persons with hearing impairment* – group or individual hearing aids, speech trainers, tape recorders and speech or language kit containing auditory and language training materials.
 - 3) *For persons with orthopedic handicaps* – the requirements provided for by Batas Pambansa Bilang 344, otherwise known as the Accessibility Law, shall be complied with, including adjustable desks or chairs and adopted physical education apparatuses.
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- 4) *For persons with mental retardation* – facilities, equipment and instructional materials for developing skills in self-care, socialization, motor cognitive and pre-vocational and vocational training.

Other types of learners with special needs or those with behavioral problems including the autistic, those with learning disabilities and those with multiple handicaps – instructional devices and equipment for behavior modification, perceptual motor training, daily living skills, language and speech and cognitive skills development.

Section 89. Refresher Course Student. A refresher course student may be admitted to a higher education institution at any time during a school term for audit purposes without earning credits, subject to such requirements and conditions as the school may prescribe. At the discretion of the institution, a refresher course student may be exempted from class assignments and examinations.

Article XIX STUDENT LOAD

Section 90. Subject Load. The subject load shall be in accordance with the approved curriculum for each degree program. Reasonable exceptions may be permitted taking into account the best interest of the student and the objectives of the educational system.

Section 91. Advanced Subjects and Back Subjects. As a general rule, a student shall not be permitted to take any advanced subject until he has satisfactorily passed the prerequisite subject or subjects. However, a student may be allowed to simultaneously enroll in pre-requisite and advanced classes under the conditions as follows:

- 1) when the pre-requisite is a repeated subject;
- 2) when the student has superior scholastic standing;

- 3) when the student is graduating at the end of the school term;
and,
- 4) when it is approved by the Dean or any authorized academic official.

Gifted or honor students may be permitted to take such additional advanced subjects or overload, including the summer session, as the appropriate school official may determine, based upon the previous academic performance of the student and other evidence of educational measurement.

Section 92. *Excess or Over Load.* Upon the discretion of the higher education institution, a graduating student may be allowed additional subject-loads of not more than six (6) academic units in excess of the normal load prescribed by the institution for the last school term. Likewise, a graduating student may, on a case-to-case basis, be allowed to take several Physical Education (PE) courses in a semester. The request for two (2) or more basic PE subjects should include the following information:

- 1) Name of student;
- 2) Reasons justifying his failure to take PE in the preceding semesters;
- 3) The class schedule and the schedule of the requested PE classes;
and,
- 4) The endorsement of the Registrar with the statement "Graduating upon completion of load".

Section 93. *Cross Enrollment.* Cross enrollment is discouraged and shall be subject to institutional policies, rules and regulations. However, for valid reasons as determined by, and with the written consent of the institution he is regularly enrolled in, a student may be permitted to cross enroll in another institution in subject loads not normally offered during that particular term.

At the discretion of the institution, a request for cross enrollment may be allowed in accordance with the institution's academic policies and standards on retention, promotion, transfer and cross-enrollment, and only under the circumstances as follows:

- 1) When the desired subjects are not offered by the institution the student is enrolled in, during the term of the requesting student's enrollment;
- 2) When the subjects are offered, but their schedules conflict with the requesting student's other class schedules; and,
- 3) When the student intends to spend the school term in his home province or region and enrolls in subjects offered by an institution located therein, provided that, such request is in accordance with the accepting institution's policy on cross-enrollment.

A student need not secure the clearance from the Commission to cross-enroll, provided, that the total subject loads do not exceed the allowable number of units per school term.

Article XX

SCHOOL RECORDS AND TRANSFER OF STUDENT

Section 94. Contents. The school record of every student shall contain the final rating in each subject with the corresponding credits, or the action thereon.

Section 95. Transfer of Student and Transfer Credentials. A student enrolled in a higher education institution shall be entitled to transfer to another institution, provided, that he has no unsettled obligation to the institution, or is not under suspension by the institution or expulsion imposed by the Commission.

The higher education institution shall provide any eligible student who applies for transfer with transfer credentials appropriate for admission in another institution, subject to the latter's policies and regulations on the admission of transfer students.

A transfer credential must be signed by the school Registrar, and issued not later than two (2) weeks after the filing of the application for transfer.

Section 96. Request and Transfer of School Records. In case of transfer of a student to another institution, the admitting higher education institution shall, upon receipt of the transfer credentials, request in writing for the complete school records or transcript of record of the student from the institution last attended. The latter shall forward the records directly to the former within thirty (30) days from receipt of the request.

The school records should not be given to the transfer student unless authorized in writing by the admitting institution requesting for the records.

Transfer credentials shall be transferred by the school last attended only once to the admitting higher education institution requesting for the said records.

Section 97. Release of Records. It shall be the duty of the higher education institution to release the school records of a student who has no outstanding property and/or financial obligations to the institution, or is not under penalty of suspension or expulsion.

Section 98. Withholding of Credentials. The higher education institution, at its discretion may withhold the release of the transfer credentials of a student who has outstanding financial or property obligations to the institution, or is under penalty of suspension or expulsion. The transfer credentials shall be released upon settlement of the obligation, or after the penalty of suspension is served or expulsion lifted.

The Commission may order the release of the school records or transfer credentials of a student, in case the institution is found, after due inquiry, to have unjustifiably refused to release the said records without prejudice to the imposition of appropriate administrative sanctions against the institution concerned.

Section 99. *Denial of Final Examinations; Withholding of Grades; and Refusal to Re-enroll.* No higher education institution shall deny final examinations to a student who has outstanding financial or property obligations, including unpaid tuition and other school fees corresponding to the school term. However, the institution may withhold the final grades or may refuse re-enrollment of such student. *Provided*, that, in case of withholding of final grades, the final grades are duly recorded and submitted to the Registrar together with the final grades of the rest of the students in the prescribed form.

Section 100. *Refunds and Other Charges.* Unless otherwise provided by institutional policies, rules and regulations, a student who transfers or withdraws, in writing, within two (2) weeks after the beginning of classes, and who has already paid the pertinent tuition and other school fees in full or for any length longer than one month, may be charged twenty-five per cent (25%) of the total amount due for the school term if he withdraws within the first week of classes, or fifty per cent (50%) if within the second week of classes, regardless of whether or not he has actually attended classes. The student may be charged for all the school fees in full if he withdraws anytime after the second week of classes.

Article XXI STUDENT DISCIPLINE

Section 101. *Student Absences.* A student who incurs absences of more than twenty (20%) percent of the prescribed number of class or laboratory periods during the school year or term shall fail and earn no credit for the course or subject except in the instances as follows:

- 1) When the institution adopts a different attendance policy for students who belong to the upper half of their classes; and,
- 2) When the institution exempts a student for a just and reasonable ground, *provided however* that, the student is not excused from keeping-up with lessons, assignments and examinations. A faculty member may exempt a student who incurs absences beyond the twenty per cent (20%) limit, but with the approval of proper school authority.

Section 102. Authority to Maintain School Discipline. Every higher education institution shall maintain discipline inside its campus as well as within the immediate surroundings of the school premises. An institution shall also exercise disciplinary authority over students outside its campus, and beyond school hours, term or year in the instances as follows:

- 1) Where school policies or regulations were violated; and,
- 2) Where the misconduct involves or affects a student's status, or the good name and reputation of the school.

Section 103. Authority to Promulgate Institutional Policies, Rules and Regulations. Every private higher education institution shall have the right to promulgate reasonable norms, rules and regulations it may deem necessary and consistent with the provisions of this Manual for the maintenance of school discipline and class attendance. Such rules shall contain an enumeration of specific offenses and their corresponding penalties. However, a student's liability shall not be confined to the offenses specifically identified and defined in the school's code or rule of discipline because several offenses may be so generally worded as to encompass a number of related wrongdoings. Such rules and regulations shall be effective as of the date of promulgation and notification to students in an appropriate school issuance or publication.

Section 104. *Disciplinary Sanctions.* A school official or personnel shall have the right to impose appropriate and reasonable disciplinary measures for minor offenses or infractions of good discipline committed in their presence, *provided*, that no cruel or physically harmful punishment shall be imposed upon any erring student.

Section 105. *Administrative Actions and Proceedings.* A higher education institution, through any of its authorized representatives, may cause the filing of an administrative action against any student for violation of its disciplinary rules and regulations. Any administrative action filed against a student must comply with the minimum standards of due process prescribed herein as follows:

- 1) the student must be informed in writing of the nature and cause of any accusation against him, and required to answer the accusation in writing. If the student is a minor, the parent or the guardian shall be furnished with a copy of show cause letter;
- 2) if the student denies the accusation or alleges some fact or matter in justification or mitigation of the offense, the institution shall form a fact-finding committee to hear and receive evidence;
- 3) in all stages of the proceedings, the student shall have the right to assistance of a counsel of his own choice;
- 4) the student shall have the right to listen to, and examine the evidence presented against him, to ask clarificatory questions through the fact-finding committee, and to present evidence on his behalf;
- 5) the fact-finding committee must consider the pieces of evidence presented, and receive the proceedings;
- 6) the student shall be informed in writing of the decision promulgated in his case; and,

- 7) if the student is found culpable for the offense charged, the punishment imposed shall be commensurate with the nature and gravity of the offense.

Section 106. Preventive Suspension and Categories of Administrative Penalties. A student under investigation may be preventively suspended from entering the school premises and from attending classes, when the evidence of guilt is strong, and the responsible school official is morally convinced that the continued stay of the student pending investigation would cause sufficient distraction to the normal operations of the institution, or would pose real or imminent threat or danger to persons and property inside the institution's premises.

The administrative penalties that may be imposed upon an erring student, for commission of any serious offense or violation of institutional disciplinary rules and regulations, are provided and categorized as follows:

- 1) **Suspension** – a penalty that allows the higher education institution to deprive or deny the erring student from attending classes for a period not exceeding twenty per cent (20%) of the prescribed total class days for the school term. A penalty of suspension for a period more than twenty per cent (20%) of the total class days for the school term shall be deemed suspension for a period equivalent to twenty per cent (20%) of the prescribed total class days for the school term.
 - 2) **Non-readmission** – a penalty that allows the institution to deny admission or enrollment of an erring student for the school term immediately following the term when the resolution or decision finding the student guilty of the offense charged and imposing the penalty of non-readmission was promulgated. Unlike the penalty of exclusion, the student is allowed to complete the current school term when the resolution for non-readmission was promulgated. Transfer credentials of the erring student shall be issued upon promulgation, subject to the other provisions of this Manual.
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- 3) **Exclusion** – a penalty that allows the institution to exclude or drop the name of the erring student from the roll of students immediately upon resolution for exclusion was promulgated. This penalty may be imposed for acts or offenses such as dishonesty, hazing, carrying deadly weapons, immorality, selling and/or possession of prohibited drugs, drug dependency, drunkenness, hooliganism, vandalism and other offenses analogous to the foregoing. Transfer credentials of the erring student shall be issued upon promulgation, subject to the other provisions of this Manual.

The institution shall preserve a complete record of the proceedings for a period of one year in order to afford the Commission the opportunity to review the case in the event the student makes and files and appeal with the Commission.

- 4) **Expulsion** – a penalty wherein the institution declares an erring student disqualified for admission to any public or private higher education institution in the Philippines. In any case, the penalty of expulsion cannot be imposed without the approval of the Chairman of the Commission. This penalty may be imposed for acts or offenses involving moral turpitude or constituting gross misconduct, which are considered criminal pursuant to existing penal laws.

The institution shall forward a complete record of the proceedings to the Regional Office concerned within ten days from the termination of the investigation of each case.

Article XXII GRADING SYSTEM

Section 107. Basis for Grading. The grading system of any higher education institution shall be based on existing institutional academic policies. The final grade or rating given to a student should be based solely on his scholastic performance in any subject/course. Any adjustment,

addition or diminution to the final grade for co-curricular activities, attendance or misconduct shall not be allowed, except otherwise provided by an institutional academic policy, and provided that the adjustment is relevant to the subject content and requirement.

Any final grade given to a student may be reviewed in accordance with institutional academic processes.

Section 108. Requirements for Promotion. The promotion of a student from any curricular or component subject/ course of a degree program towards graduation shall strictly comply with the conditions or requirements as follows:

- 1) A student shall be given the necessary academic credits toward the completion of, or graduation from a degree program, *provided* that, he/she has enrolled in the program, has satisfactorily complied with the admission requirements, has faithfully and regularly attended classes, and has acquired the expected proficiency required in the curricular or component subject of the program.
 - 2) A student shall be promoted or permitted to enroll in advanced or specialized subjects, *provided*, that he/she has satisfactorily passed the basic and pre-requisite subject(s), except otherwise provided in this Manual or by the Commission.
 - 3) A student shall earn academic credits for promotion towards graduation, *provided* he/she garners a final grade of at least seventy-five per cent (75%) or its equivalent in curricular or component subject/ course, as determined by proper institution authorities on academics.
 - 4) The scholastic records of every student for each academic term shall be filed with the institution until the close of the next academic term, for reference or examination in case of any grievance or complaint.
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Section 109. Requirements for Grading. The grading system for a student in curricular or component subjects/courses of any degree program shall strictly comply with the conditions or requirements as follows:

- 1) No provisional, conditional, or temporary final grade for any curricular or component subject/ course shall be given to a student.
- 2) In case a student fails to take a final examination or submit an academic requirement for completion of a subject/ course and that his/ her scholastic performance is not sufficient to merit a final passing grade, an institution may, consistent with its academic policies, give the student a final grade which does not earn any academic credit nor indicates failure such as "NC" for "No Credit" or "NG" for "No Grade". Such a grade is permanent and cannot be subsequently changed. *Provided however,* that where the failure to take the final examination, or to submit the academic requirements, is due to excusable grounds, such as, sickness, emergency, or accident, the student may be given an incomplete mark or "INC." *Provided further,* that the institution allows special or completion examinations, or additional time for compliance of the requirements. In no case shall an incomplete or "INC" mark remain for more than one (1) academic year.

The institution must publish the adoption of any or all of the foregoing grading and promotion policies.

Article XXIII GRADUATION

Section 110. Special Orders. Except otherwise provided in this Manual or by the Commission, a special order shall be required for graduation of a student from the degree program. The higher education institution shall file an application for issuance of special orders with the Commission at least sixty (60) calendar days before the end of the academic

year. The Commission shall process the application and return to the institution within thirty (30) calendar days from receipt of the application. Any defect in the application may cause the Commission to withhold the issuance of the special orders.

Section 111. *Conditions to the Authority to Graduate Without Prior Commission Approval.* One of the benefits of accreditation (at level II or higher) is the authority to graduate students of the accredited programs without prior approval of the Commission in the form of a Special Order (S.O.). The conditions of this authority are as follows:

- 1) The head must furnish the Regional Office concerned a copy of its certificates of accreditation.
- 2) Within two (2) weeks after graduation exercise, the institution shall submit to the Regional Office concerned an alphabetical list of graduates by degree program, accompanied by a certification under oath signed by the registrar certifying that the students therein listed (1) have complied with all the requirements of the Commission, (2) were conferred their respective certificates or degrees on a specific date, (3) have completed scholastic records on file in the institution, and (4) have their Form IX in the custody of the institution. This list shall be sufficient basis for issuing Special Orders, if still necessary.

The institution shall be held fully liable for the veracity of the records without prejudice to any legal action, including revocation of government recognition as may be called for under the circumstances.

The Commission reserves the right to cancel or revoke the graduation of any student whose records are found to be fraudulent.

Section 112. Graduation Honors: In General. Every higher education institution shall adopt its own policy and criteria for the selection of students who shall be awarded graduation honors. The policy and criteria shall be made known to the students and parents.

If a higher education institution fails to adopt any criteria, the following rules shall apply:

- 1) a candidate for graduation honors should complete a minimum of 75% of the required subjects of the program in the institution which will award the degree or diploma; and,
- 2) the appropriate graduation honors and the prescribed final average rating in any subject for the entire duration of the program or course, shall be:

Honors	Final Average Rating
Summa Cum Laude	95% to 100% with no failing grade
Magna Cum Laude	90% to 94.9% with no failing grade
Cum Laude	85% to 89.9% with no failing grade

Section 113. Honorary Degrees. The following policies and procedures shall be followed in the awarding of honorary degrees:

- 1) Any honorary degree to be awarded by a qualified private or public higher education institution shall be for a doctorate level only. The degree shall be any of the following and shall be indicated as follows:

Doctor of Humanities (H.D.)	Doctor of Science (Sc.D.)
Doctor of Laws (LL.D.)	Doctor of Pedagogy (P.D.)
Doctor of Music (Mus.D.)	Doctor of Technology (D.Tech.)
Doctor of Literature (Litt.D.)	

- 2) The higher education institution that shall award an honorary doctorate degree must possess the following qualifications:
 - a) whether a university or a college, it must have existed for at least twenty-five (25) years; and
 - b) must offer at least one (1) doctoral program with government recognition, in the case of private higher education institutions and with approval of the Board of Trustees/Regents, in the case of state and local colleges and universities.
 - 3) The honorary doctorate degree shall be conferred upon persons who have attained exceptionally meritorious achievements in the arts, the sciences, the humanities and/or public service with tangible and relevant accomplishments.
 - 4) The written request for authority to confer an honorary degree shall be addressed to the Chairman of the Commission, Attention: The Office of Programs and Standards, through the CHED Regional Office duly signed by the head of the concerned higher education institution. This shall be filed at least forty-five (45) days before the scheduled conferment and accompanied with:
 - a) a copy of the curriculum vitae and accomplishments of the candidate;
 - b) a resolution of the governing board of the higher education institution; and,
 - c) the reasons/justifications why the award is being made.
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- 5) The conferment of honorary degree by higher education institutions shall be limited to two honorary degrees per year per institution except in cases when a prior written approval is granted by the Commission *en banc* for the grant of more than two honorary degrees per year per institution.
 - 6) The Commission has the prerogative to withdraw and declare null and void the conferment of an honorary degree by an institution due to any of the following causes:
 - a) When awarded on a reciprocal basis;
 - b) When awarded solely for publicity purposes;
 - c) When designed to boost the career and/or reputation of a particular person;
 - d) When the granting institution has awarded an honorary degree three times in a year without obtaining prior written approval from the Commission *en banc*;
 - e) When given to incumbent administrators and/or members of the faculty and/or staff of the granting institution;
 - f) When given to incumbent officials and/or employees, especially to the incumbent Chairman and/or Commissioners of the Commission on Higher Education.
 - 7) When the application is not acted upon by CHED within 45 days upon receipt, the application will be considered approved by the institution.
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F. TERMS AND CONDITIONS OF EMPLOYMENT

Article XXIV

PERSONNEL STANDARDS AND TRANSACTIONS

Section 114. *Conditions of Employment.* Every private higher education institution shall promote the improvement of the economic, social and professional status of all its personnel.

In recognition of their special employment status and their special role in the promotion of education, the employment of the academic and the academic support personnel, or the teaching and non-teaching academic personnel, shall be governed by the policies and rules of the Commission, promulgated from time to time, in coordination with the Department of Education (DepEd), the Technical Education and Skills Development Authority (TESDA), and the Department of Labor and Employment (DOLE).

Conditions of employment of non-academic and other personnel of the institution, including compensation, hours of work, security of tenure and labor relations, shall be governed by appropriate labor laws and regulations, and by institutional policies, rules and regulations.

Section 115. *Compensation.* Every private higher education institution shall provide for a compensation policy that shall be graded or scaled taking into account performance, merit earned, qualifications, and responsibilities of the various positions.

Section 116. *Employment Contract.* Before or at the start of school term, the institution shall execute a written employment contract with its teaching and non-teaching academic employees, whether permanent, probationary or part-time. The contract with a permanent teaching and non-teaching academic employee does not affect his/her tenure or status, but binds him/her to work for the entire school term and to complete the requirements thereof, including the submission of final grades.

Every contract of employment shall specify the designation, qualification, salary rate, the term and nature of service, the date of effectivity, such terms and conditions of employment as may be consistent with laws, and the institutional policies, rules and regulations. A copy of the contract shall be furnished the personnel concerned.

Section 117. *Probationary Period.* An academic teaching personnel, who does not possess the minimum academic qualifications prescribed under Sections 35 and 36 of this Manual shall be considered as part-time employee, and therefore cannot avail of the status and privileges of a probationary employment. A part-time employee cannot acquire regular permanent status, and hence, may be terminated when a qualified teacher becomes available.

The probationary employment of academic teaching personnel shall not be more than a period of six (6) consecutive semesters or nine (9) consecutive trimesters of satisfactory service, as the case may be.

Section 118. *Regular or Permanent Status.* A full-time academic teaching personnel who has satisfactorily completed his/her probationary employment, and who possesses the minimum qualifications required by the Commission and the institution, shall acquire a regular or permanent status if he/she is re-hired or re-appointed immediately after the end of his/her probationary employment. However, a regular or permanent academic teaching personnel who requests a teaching load equivalent to a part-time load, shall be considered resigned, and hence, may forfeit his/her regular or permanent status at the discretion of the management of the higher education institution and shall thereby be covered by a term-contract employment.

Section 119. *Regular Teaching Load.* The regular teaching load of full-time academic teaching personnel shall be determined by the higher education institution but in no case shall exceed 24 units per semester or term.

Section 120. Normal Hours of Work: Academic Teaching Personnel Overload. In accordance with Article 83 of the Labor Code of the Philippines, as amended, the normal hours of work of school personnel shall not exceed eight (8) hours a day. Any work done in addition to the eight (8) hours daily work shall constitute overtime work.

The normal hours of work of teaching or academic personnel shall be based on their normal regular teaching loads. Such normal or regular teaching loads shall be based in accordance with the policies, rules and standards prescribed by the Commission. Any teaching load in excess of the normal or regular teaching load shall be considered as overload. Overload partakes of the nature of temporary extra assignment and compensation therefore shall be considered as an overload honorarium if performed within the 8-hour work period and does not form part of the regular or basic pay. Overload performed beyond the eight-hour daily work is overtime work.

As used herein, term “regular or basic pay” means all remuneration or earnings paid by the institution to its personnel for services rendered on normal working days and hours but does not include cost of living allowances, profit sharing payments, premium payments, honoraria, 13th month pay or other monetary benefits which are not considered as part of or integrated into the regular wage/salary of school personnel.

Overload is essentially a temporary arrangement resorted to when there is no faculty available to teach the subject/course as part of his/her regular teaching load.

Section 121. Causes of Terminating Employment. In addition to the just causes enumerated in the Labor Code, the employment of personnel in a higher education institution, may be terminated for any of the causes as follows:

- 1) grave misconduct, such as, but not limited to, giving of grades to a student in a subject not based solely on scholastic performance; failure to maintain confidentiality of school records; contracting loans from students or parents; use of cruel punishment, insubordination;
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- 2) gross inefficiency and incompetence in the performance of duties such as, but not limited to failure to cope with the reasonable standard of efficiency and competence of the institution; habitual absences and tardiness from classes, and willful neglect of employment or assignment;
 - 3) tampering or falsification of, or negligence in keeping school or student records including unreasonable delay in the submission of student grades;
 - 4) conviction of a crime, or an attempt on, or a criminal act against the life of any school official, personnel, or student, or upon the property or interest of the institution;
 - 5) being notoriously undesirable;
 - 6) disgraceful or immoral act inside or outside the school campus, or in the case of institutions established by a religious order or foreign mission board, conduct contrary to the teaching of that religious sector operating the institution;
 - 7) the sale of tickets or the collection of any contributions in any form or for any purpose or project whatsoever, whether voluntary or otherwise, from students and school personnel;
 - 8) voluntary or request for de-loading of teaching units to less than the required minimum teaching assignment for full-time academic personnel as fixed by the school;
 - 9) in the event of phasing out, closure or cessation of the higher education program or of the institution itself; and,
 - 10) other causes analogous to the foregoing as may be provided for in the policies and regulation of the Commission or of the institution, or in a collective bargaining agreement.
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A higher education institution may provide for additional grounds for termination in accordance with its institutional policies, rules and regulations.

Section 122. *Suspension.* Suspension of any personnel of a higher education institution may be preventive or punitive.

A personnel charged for an offense may be placed under preventive suspension pending investigation, when his/her continued presence poses a serious and eminent threat to other persons, the students or personnel and to the institution, and its property. In no case shall preventive suspension exceed a period of thirty (30) days.

A personnel of the institution found guilty of commission of an offense may be imposed the penalty of suspension for a period the attending circumstances may warrant.

Section 123. *Labor Organizations.* The recognition of labor organizations in any higher education institution shall be governed by the provisions of the Labor Code and subject to regulation and supervision by the Department of Labor and Employment.

Section 124. *Grievance Machinery.* Every higher education institution shall provide for amicable internal procedures or remedies, as a preferable measure in the settlement of any issue, dispute or grievance arising from employment relations. In the absence of any provision to the contrary in the collective bargaining agreement, the applicable employment contract or the institutional policies and regulations, all disputes or grievances between the institution and its employees shall be resolved through voluntary arbitration as provided for in the labor code. A grievance includes any claim of illegal dismissal, illegal disciplinary action, violation of school policies and regulations, violation of labor laws and standards including unfair labor practices, and deadlocks in collective bargaining agreements.

G. FINANCIAL MANAGEMENT AND FINANCIAL ASSISTANCE

Article XXV INSTITUTIONAL FINANCES

Section 125. *Policy.* It is the policy of the State that the national government shall contribute to the financial support of higher education programs pursuant to the goals of education as declared in the Constitution. Towards this end, the government shall (1) adopt measures to broaden access to education through financial assistance and other forms of incentives to schools, teachers, and students; and (2) encourage and stimulate private support to education through, among others, fiscal and other assistance measures.

Section 126. *Funding.* A higher education institution may be funded from capital investments or equity contributions, tuition and other school fees or charges, grants, donations, loans, subsidies, passive investment income, and other sources.

A higher education institution may receive any grant and legacy, donation, gift, bequest or device from any individual, institution, corporation, foundation, trust, philanthropic organization, and research institution or organization.

A higher education institution may engage in any auxiliary enterprise to generate income primarily to finance their educational operations and/or to reduce the need to increase students' fees.

Section 127. *Tuition and Other School Fees.* A higher education institution may increase tuition and other school fees in accordance with appropriate provisions of law and applicable pieces of jurisprudence. The Commission shall issue appropriate rules and regulations on this matter.

Section 128. *Allocation of Tuition Incremental Proceeds.* Any incremental proceeds derived from tuition fee increase shall be allocated as follows:

- 1) seventy percent (70%) of the amount shall go to the payment of salaries, wages, allowances and other benefits of teaching and non-teaching personnel except administrators who are principal stockholders of the institution, and may be used to cover increases as provided for in the collective bargaining agreements;
- 2) at least twenty percent (20%) shall go to the improvement or modernization of buildings, equipment, libraries, laboratories, gymnasias and similar facilities and to the payment of other costs of operation; and,
- 3) not more than ten percent (10%) shall be allocated for return on investment (ROI).

For this purpose, higher education institutions shall maintain a separate record of accounts for any tuition fee increase, and the detailed disposition and use thereof, which record shall be made available for inspection upon request by concerned sectors during consultation on tuition fee increase.

Discretion is vested upon the institution authorities to determine the manner by which to distribute the seventy percent (70%). Private higher education institutions are not obligated at all times to increase or raise personnel compensation if the tuition fee increase does not allow such raise in compensation in case enrollment declines resulting to loss in income. Suffice it that only two criteria must be met, the benefit must accrue to specific individual school personnel, except where it forms part of a collective bargaining agreement but accrues to school personnel in any case.

Section 129. Government Subsidy. Subsidy to higher education institutions established, as a stock corporation shall be given through its students in the form of scholarship and other forms of subsidy as already mandated under existing laws. Government assistance to non-stock institutions for educational programs shall be used exclusively for that purpose.

Taxes shall not be due on donations to educational corporations.

H. ADMINISTRATIVE REMEDIES

Article XXVI

PROCEEDINGS BEFORE THE EXECUTIVE OFFICE

Section 130. *Nature of the Complaint; Coverage; Venue.* Except for complaints or actions, or an appeal for reconsideration taken from a decision denying an application for permit or recognition, any complaint arising from a decision, order, regulation or restriction, or requirement issued by a Regional Director or his representative in the performance of his official duties, or any dereliction by the Regional Director of a duty assigned or delegated by the Commission, shall be filed to the Office of the Executive Director within a reasonable period from the time the cause of action accrues.

Section 131. *Parties and Title; Contents of Complaint.* (1) In all cases filed to the Office of the Executive Director, the higher education institution initiating the complaint shall be called the "Petitioner" and the opposing Regional Director shall be called the "Respondent".

(2) The "Petition" shall be verified by any authorized representative of the petitioner, stating therein clearly and distinctly the decision, order, regulation or restriction, or requirement, or the specific inaction complained of, when and how it was committed, and the damage or injury caused or expected to be caused by the decision, order, regulation or restriction, or requirement, or the inaction complained of. The petition shall be filed in three (3) copies together with a copy of the assailed decision, order, regulation or restriction, or requirement, and all relevant pieces of documentary evidence and affidavits of witnesses.

(3) An institution having more than one cause of action against a Regional Director, but related to each other, shall join all of them in one petition.

Section 132. *Summons; Answer.* (1) Immediately after receipt of the petition, the Executive Director shall serve summons to unto the respondent Regional Director attaching therewith a copy of the petition, with notification to file an answer within ten (10) days from receipt thereof.

(2) The respondent Regional Director may file an answer setting forth therein clearly and distinctly his denials or assertions of facts constituting his defenses to the charge or complaint. The answer shall be filed in three (3) copies, together with all relevant pieces of documentary evidence and affidavits of witnesses, and proof of service of a copy thereof to the petitioner.

Section 133. *Conciliation; Compromise and Arbitration.* Within ten (10) days after the answer was filed, or after the required period to file answer lapsed without the answer being filed, the Executive Director shall set the case for conciliation. To expedite the proceedings and obviate expensive and tedious litigation, the Executive Director shall, in the interest of public interest, encourage amicable settlement, compromise and arbitration.

Section 134. *Nature of the Proceedings in Contested Cases; Rules of Evidence.* In any contested case, the proceedings shall be non-litigious. Towards public interest and subject to the requirements of due process, the technicalities of procedure and the rules of evidence obtaining in the courts of law shall not strictly apply.

Section 135. *Submission of Position Papers and Other Pleadings.* Should the conciliation proceedings fail, the parties shall be required to submit their respective position papers simultaneously within ten (10) days therefrom. The position papers shall cover only those claims and causes of action raised in the petition, or the counter-claims or defenses interposed in the answer.

A party may file a reply to the other party's position paper within five (5) days from receipt of the position paper. Thereafter, the case is deemed submitted for resolution, with or without the foregoing pleadings.

Section 136. *Period to Decide Case; Contents of the Decision.* The Executive Director shall render his decision within thirty (30) days, without extension, after submission of the petition for decision.

The decision shall be clear and concise, and shall include a brief statement of the (a) facts of the case; (b) issues involved; (c) conclusions and reasons therefore; and (e) the remedy of relief granted.

Section. 137. *Motion for Reconsideration.* No motion for reconsideration of the decision of the Executive Director shall be allowed. Nevertheless, when such motion is filed, it shall be treated as an appeal provided that it complies with the requirements for perfection of an appeal.

Article XXVII

PROCEEDINGS BEFORE THE COMMISSION *EN BANC*

Section 138. *Appeal; Period of Appeal; Grounds.* Decisions of the Executive Director shall become final and executory unless appealed to the Commission by any or both parties within ten (10) days from receipt of such decisions. If the tenth day falls on a Saturday, Sunday or holiday, the last day to file the appeal shall be the next working day.

The appeal may be entertained only on any of the following grounds:

- 1) if there is *prima facie* evidence or abuse of discretion on the part of the Executive Director;
- 2) if the decision was secured through fraud or coercion, including graft and corruption;
- 3) if the decision was based on errors of law, or on misapplication of the policies, rules and regulations of the Commission; and,
- 4) if the decision was based on serious errors in the findings of facts, if not corrected, would cause grave or irreparable damage or injury to the appellant.

Section 139. *Where Filed; Transmittal of Records; Comment.* The appeal in six (6) legible copies with proof of service unto the appellee, shall be filed to the Office of the Executive Director who shall, within forty-eight

(48) hours after receipt, transmit the entire records of the case, to the Office of Chairman of the Commission.

Within ten (10) days from receipt of the appellant's brief, the appellee may file a comment to the Commission.

Section 140. *Period to Resolve the Appeal; Form of Decision.* The Commission *en banc* shall resolve the appeal from the decision of the Executive Director within a period of thirty (30) calendar days from receipt of the appeal, with or without the appellee's comment.

The decision or resolution shall state clearly and distinctly the findings of facts, issues and conclusions on which it is based, and the relief granted.

Section 141. *Finality of Judgment; Motion for Reconsideration.* The decision or resolution of the Commission is final and executory. No motion for reconsideration of the decision or resolution of the Commission shall be entertained except when based on palpable or patent errors, provided that the motion is under oath and filed within ten (10) days from receipt of the decision or resolution, with proof of service that the same has been furnished to the adverse party.

I. MISCELLANEOUS PROVISIONS

Section 142. *Due Process.* In all matters that may result in the imposition of any sanction or penalty to a higher education institution, or to any personnel or student, administrative due process shall in all instances be observed.

Section 143. *Application of Sanctions.* In all cases, the application of sanctions or penalties shall be commensurate with the gravity of the offense committed. A sanction or penalty imposed by the Regional Director to a higher education institution may be appealed to the Commission in accordance with Article XXVI of this Manual.

Section 144. *Leveling of Playing Field.* Academic, curricular, and administrative policies, standards, or rules and regulations prescribed to public or state colleges and universities, may be equally availed of by private higher education institutions as far as they are applicable.

Section 145. *Amendments and Subsequent Issuances.* Subsequent issuances by the Commission that amend or repeal any provision of this Manual shall become effective only after public hearing with appropriate stakeholders and publication as required by law.

Section 146. *Separability Clause.* If any part or provision of this Manual that is declared invalid or unconstitutional shall apply only to that part or provision. The remainder shall be valid and effective.

Section 147. *Repealing Clause.* The 1992 Manual of Regulations for Private Schools and all amendments issued thereto are hereby repealed. All existing Orders, Circulars, Memoranda, including the Implementing Rules and Regulations of the Education Act of 1982 (BP Blg. 232) or any portions thereof, issued by the Commission, which are contrary to, or inconsistent with any provision of this Manual, are hereby repealed or modified accordingly.

Section 148. *Effectivity.* This Manual of Regulations for Private Higher Education of 2008 shall take effect fifteen (15) days after publication as required by law.

Approved. _____ 31 July _____, 2008, Pasig City, Philippines.

For the Commission:



ROMULO L. NERI
Acting Chairman



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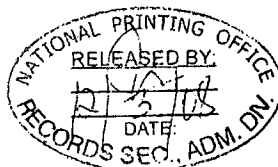
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