

SEVENTEENTH CONGRESS OF THE]
REPUBLIC OF THE PHILIPPINES]
Second Regular Session]



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SENATE

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S. B. No. 1488

Introduced by SENATOR WIN GATCHALIAN

AN ACT
PRESCRIBING THE MANDATORY GUIDELINES ON THE
ESTABLISHMENT AND OPERATION OF LOCAL UNIVERSITIES AND
COLLEGES AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Section 1, Article XIV of the 1987 Philippine Constitution mandates that the State shall protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make education accessible to all. Further, Section 2, Article XIV of the aforesaid provides that the State shall establish, maintain and support a complete, adequate and integrated system of education relevant to the needs of the people and society and that the State shall encourage self-learning, independent and out-of-school study programs particularly those that respond to community needs.

Pursuant to this constitutional mandate, a number of local government units have taken the initiative to make higher education accessible to their constituents by establishing Local Universities and Colleges (LUCs) created through ordinances of their respective *Sanggunians* as set forth under Republic Act No. 7160 or the *Local Government Code of 1991*.

With the increasing number of LUCs, the Association of Local Colleges and Universities (ALCU) was established, followed by the formal organization of Association of Local Colleges and Universities Commission on Accreditation (ALCUCOA) in 2003. The role of ALCUCOA is vital in ensuring that there is sufficient quality assurance among the member schools in the country. *At present, ALCUCOA has only accredited 15 LUCs out of 102 LUCs that it has recognized.*

The creation of LUC within a particular Local Government Unit is a commendable effort to provide greater access and equitable distribution of opportunities for Filipinos to acquire higher education. However, in order that optimum standard is achieved in the formulation and implementation of policies on higher education, there is a need to prescribe and institutionalize the guidelines on the establishment and operation of these LUCs.

This measure seeks to prescribe the mandatory standards for the establishment and operation of LUCs to ensure that quality education is given paramount consideration by LGUs when creating a higher education institution. This bill recognizes the need to enforce the supervisory and regulatory powers of CHED to make certain that LUCs have the capacity to operate as a higher education institution and offer degree programs that will shape the future of their students. Furthermore, this bill likewise institutes the parameters to shield its operation and administration from undue influence of partisan politics.

Thus, the passage of this bill is earnestly sought.



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*Be it enacted by the Senate and the House of Representatives of the
Philippines in Congress assembled:*

1 SEC. 1. **Short Title.** - This Act shall be known as the "Local
2 Universities and Colleges Governance Act."

3 SEC. 2. **Declaration of Policy.** - It is the policy of the State to
4 establish, maintain and support a complete, adequate and integrated
5 system of education relevant to the needs of the people and society.
6 Towards this end, the mandatory guidelines on the establishment of Local
7 Universities and Colleges (LUCs) is prescribed to achieve a standard and
8 integrated system of higher education and provide a relevant direction in
9 their governance.

10 SEC. 3. **Definition of Terms.** - As used in this Act, these terms shall
11 mean:

- 1 a. **Association of Local Colleges and Universities (ALCU)** – The
2 association of local colleges and universities in the Philippines that
3 was established in 2003 to improve the quality of instruction,
4 research, and extension of its member schools and to provide
5 quality public tertiary education.
- 6 b. **Commission on Higher Education (CHED)** – The government
7 agency created by Republic Act No. 7722, otherwise known as the
8 “Higher Education Act of 1994”, which has jurisdiction over all
9 public and private higher education institutions (HEIs) in the
10 Philippines.
- 11 c. **Governing Board** – The highest policy-making body of a local
12 university or college.
- 13 d. **Local University or College (LUC)** – The public higher education
14 institution established by a local government unit through an
15 enabling ordinance.
- 16 e. **Local Government Unit (LGU)** – Any municipality, city or
17 provincial government that created or established the LUC.
- 18 f. **Ordinance** – The enabling act of the Sangguniang Bayan,
19 Panglunsod or Panlalawigan that creates a particular LUC.
- 20 g. **Sanggunian** – The local legislative body which includes
21 Sangguniang Bayan for Municipality, and Sangguniang
22 Panlalawigan for Province.

23 SEC. 4. **Coverage** – This Act shall apply to the following:

- 24 a) Existing LUCs; and
25 b) New higher educational institutions to be established by any LGU.

26 SEC. 5. **Establishment of LUCs** – All LUCs shall be established
27 through an ordinance duly enacted for that purpose by the Sanggunian
28 concerned provided that prior to the enactment of the same, the LGU

1 establishing a higher education institution shall consult and coordinate
2 with CHED, through the Regional office having jurisdiction of the place
3 where the institution is intended to be established to ensure full compliance
4 with the mandatory requirements as set forth in this Act.

5 SEC. 6. **Mandatory Requirements for the Establishment of LUC –**

6 The CHED shall strictly require all LUCs to submit the following
7 requirements for review and approval:

8 a. Feasibility study that shall include but shall not be limited to the
9 following discussions: 1) the necessity for a local higher education
10 institution in the area, 2) human resource requirements of the
11 industry to determine proposed program offerings, 3) target
12 offerings, 3) availability of qualified administrators, faculty and
13 non-teaching personnel and 4) financial capacity of the LGU to
14 establish and sustain the operation of an LUC;

15 b. Certification of availability of funds by the treasurer of the LGU
16 concerned, as provided for under the pertinent provisions of the
17 Local Government Code of 1991;

18 c. A project development plan to show that the LGU allocated a
19 school site with appropriate size and location pursuant to the
20 applicable provisions of the Building Code of the Philippines,
21 blueprint of architectural design for its buildings and other
22 physical facilities and provisions for acquisition of instructional
23 materials and equipment that comply with CHED Memorandum
24 Orders (CMOs) pertinent to the program offered;

25 d. A five-year institutional development plan duly approved by the
26 Sanggunian which shall include but shall not be limited to the
27 following: a) annual budgetary allocation; b) organizational
28 structure and composition of the governing board; and c) plantilla
29 of positions as provided for in the Association of Local Colleges and
30 Universities (ALCU) Unified Merit System duly approved by the

1 Civil Service Commission;

- 2 e. A duly established LUC shall require the imprimatur of the CHED
3 prior to the offering of a higher education program. The Chairman
4 of the governing board, or its President when so authorized by the
5 governing board, shall file with CHED an application to offer a
6 higher education program. The application shall be supported with
7 documents indicating compliance with the policies and standards
8 relative to such degree program.

9 Sec. 7. **Supervisory and Visitorial Powers of CHED.** – All LUCs are
10 subject to the annual inspection and evaluation of CHED, unless there are
11 compelling reasons which may require further review and evaluation.

12 Sec. 8. **The Governing Board of LUCs.**

13 a) *Composition-* The governing body of local universities and colleges
14 shall be composed of the following:

- 15 i. Local Chief Executive as Chairman;
16 ii. President of the LUC as Vice-Chairman;
17 iii. President of the duly recognized faculty association of
18 the LUC as member;
19 iv. President of the duly recognized student council of
20 the LUC as member;
21 v. President of the alumni association as member;
22 vi. Chairman of the Sangguniang Committee on
23 Education as member;
24 vii. ALCU representative as member;
25 viii. Two (2) representatives from CHED with rank not
26 lower than Director as members;
27 ix. Treasurer of the local government unit establishing
28 the LUC;
29 x. Budget Officer of the local government unit
30 establishing the LUC;

1 xi. Two (2) representatives from the private sector, who
2 are of known probity and should have distinguished
3 themselves in their respective professions or fields of
4 specialization, in the municipality, city, or province
5 where the local university or college is located. They
6 shall be appointed by the Local Chief Executive and
7 shall each serve for a term of two (2) years from the
8 date of their respective appointments.
9

10 b) *Term of Office* - The presidents of the faculty association, the
11 student council, and the alumni association shall sit in the Board
12 until the expiration of their term of office in such capacities. The
13 two (2) representatives from the private sector shall serve for a
14 term of two (2) years.

15 c) *Meetings*- The Governing Board shall regularly convene every
16 month. The Chairman of the Board may call for a special meeting
17 whenever necessary, *Provided*, That members are notified in
18 writing at least three (3) days prior to said meeting.

19 d) *Quorum*- A majority of all the members of the governing board
20 holding office at the time of its regular or special meeting shall
21 constitute a quorum.

22 SEC. 9. ***Powers of the Governing Board.*** - The governing board of
23 the LUCs shall have the following powers and duties:

24 a) To promulgate policies in accordance with the declared state
25 policies on higher education as well as the policies, standards and
26 thrusts of the CHED under R.A No. 7722 and other pertinent laws;

27 b) To promulgate rules and regulations consistent with existing laws,
28 rules and regulations as may be necessary to carry out the
29 purposes and functions of the LUC;

- 1 c) To develop academic arrangements and linkages for institutional
2 capability building with appropriate institutions and agencies, both
3 public and private, local and foreign;
- 4 d) To determine and approve curricular programs and course
5 offerings in response to the needs and demands of the community
6 provided that these should comply with policies and guidelines set
7 by CHED;
- 8 e) To promulgate policies on admission, retention and graduation of
9 students and to award degrees, titles, diplomas and certificates;
- 10 f) To ensure the efficient management of non-academic services such
11 as medical and dental, guidance and counseling, property
12 maintenance and similar services;
- 13 g) To institutionalize research and extension programs;
- 14 h) To appoint the President of the local university or college upon the
15 recommendation of the search committee;
- 16 i) To confirm appointments of other school officials, teaching and
17 non-teaching personnel appointed by the President;
- 18 j) To delegate any of its powers and duties provided for herein to the
19 President and/or other officials of the university or college as it
20 may deem appropriate in order to expedite the administration of
21 the affairs of the LUC;
- 22 k) To fix the tuition fees, miscellaneous fees and other school charges
23 as the board may deem proper to impose after due consultations
24 with the involved sectors.

25 SEC. 10. **Administration of the LUC.** – The administration of the
26 local university or college shall be vested in the President who shall render
27 full-time service. He shall be appointed by the governing board upon the
28 recommendation of a duly constituted search committee.

1 The President shall hold a doctoral degree in education,
2 administration or other related fields, and should have at least five (5) years
3 of relevant administrative experience, without prejudice to the provision of
4 additional qualifications to be set by the governing board of the LUC.

5 In case of vacancy in the Office of the President by reason of death,
6 compulsory retirement, resignation, removal for cause or incapacity of the
7 President to perform the functions of his office, the Board shall have the
8 authority to designate an Officer-in-Charge of the LUC pending the
9 appointment of a new president.

10 The powers and duties of the President of the LUC, in addition to
11 those specifically provided in this Act, shall be those usually pertaining to
12 the Office of the President of other colleges, and those delegated by the
13 Board.

14 The salary of the President of the LUC shall be set by the Board,
15 taking into consideration the applicable civil service rules and regulations
16 and ensuring that the same shall be comparable to that being received by
17 the presidents of similar educational institutions.

18 The vice-presidents, deans, directors, heads of departments, faculty,
19 non-teaching personnel and such other officials and employees of the LUC
20 shall be appointed by the president, subject to confirmation of the Board.
21 The appointments of these LUC officials and employees shall conform to
22 existing civil service laws, rules and regulations.

23 The aforementioned officers and employees may be removed from
24 office for causes established under the rules on civil service.

25 SEC. 11. **Search Committee.** – In case of vacancy in the Office of the
26 President brought about by any of the causes mentioned in the preceding
27 section, the governing board shall organize and convene a Search
28 Committee for the selection of a president.

29 The Search Committee shall have five (5) members to be appointed by

1 the governing board from among its members. It shall elect a Chairman and
2 Vice-Chairman and shall ensure that the new LUC president is selected
3 within three (3) months from the time the position is vacated.

4 SEC. 12. **Elevation to University Status** – A new local higher
5 education institution shall start as a local college and the grant of a
6 university status is contingent upon the satisfaction of all requirements
7 embodied under the rules and regulations of CHED.

8 SEC. 13. **Penalties for Non-Compliance.** – LUCs are mandated to
9 comply with the requirements set forth under this Act.

10 Any person who acts in violation of this section shall incur
11 administrative liabilities as may be determined in the implementing rules
12 and regulations.

13 SEC. 14. **Existing LUCs** -In the interest of efficient control and
14 regulation by CHED, LUCs which are already existing at the time of the
15 effectivity of this Act shall be allowed to continue its operation for a non-
16 extendible period of one (1) year to comply with the requirements set forth
17 herein and its IRR.

18 SEC. 15. **Implementing Rules and Regulations.** – The Commission
19 on Higher Education, in coordination with relevant sectors, shall
20 promulgate the implementing rules and regulations as may be necessary to
21 carry out the provisions of this Act.

22 SEC. 16. **Separability Clause.** - Should any part of this Act be
23 declared unconstitutional, the rest of the provisions of this Act shall
24 continue to be in effect and subsisting.

25 SEC. 17. **Repealing Clause.** - The provisions of other laws, decrees,
26 executive orders, rules and regulations inconsistent with this Act are hereby
27 repealed, amended, or modified accordingly.

28 SEC. 18. **Effectivity.** - This Act shall take effect fifteen (15) days after