

[REPUBLIC ACT NO. 6728, June 10, 1989]

AN ACT PROVIDING GOVERNMENT ASSISTANCE TO STUDENTS AND TEACHERS IN PRIVATE EDUCATION AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Title.* — This Act shall be known as the "Government Assistance to Students and Teachers in Private Education Act."

SEC. 2. *Declaration of Policy.* — It is the declared policy of the State in conformity with the mandate of the Constitution, to promote and make quality education accessible to all Filipino citizens. The State also hereby recognizes the complementary roles of public and private educational institutions in the educational system and the invaluable contribution that the private schools have made and will make to education. For these purposes the State shall provide the mechanisms to improve quality in private education by maximizing the use of existing resources of private education, recognizing in the process the government responsibility to provide basic elementary and secondary education as having priority over its function to provide for higher education.

SEC. 3. *Criteria for Assistance.* — The programs for assistance shall be based on a set of criteria which shall include among others, tuition fees charged by the schools, the socio-economic needs of each region, overall performance of the schools, the academic qualifications and the financial needs of the students, as well as the geographic spread and size of student population.

In addition to the foregoing criteria, within such reasonable time as the State Assistance Council may determine, student grantees under the Private Education Student Financial Assistance Program shall be enrolled in schools which have accredited programs or are applying for accreditation as determined by the Federation of Accrediting Agencies of the Philippines, namely: the Philippine Association of Accredited Schools, Colleges and Universities, the Association of Christian Schools and Colleges Accrediting Agency, and the Philippine Association of Colleges and Universities Commission on Accreditation.

Preference shall be given to students whose family income is not more than thirty six thousand pesos (P 36,000) or such amount as may be determined by the Council, as defined hereinafter.

For purposes of this Act, programs of assistance to students of private post-secondary education shall likewise be extended to students of community colleges and students in non-degree programs including vocational and technical courses.

Implementation of the program shall encourage students to undergo tertiary education in the same region where their families reside.

The programs of assistance under this Act shall be extended, only to students who are citizens of the Philippines.

SEC. 4. *Forms of Assistance.* — Assistance to private education shall consist of:

1. Tuition fee supplements for students in private high schools, including students in vocational and technical courses;
2. High School Textbook Assistance Fund: *Provided,* That students in public high schools shall be provided a comprehensive textbook program under the Secondary Education Development Program (SEDP);
3. Expansion of the existing Educational Service Contracting (ESC) Scheme;
4. The voucher system of the Private Education Student Financial Assistance Program (PESFA);
5. Scholarship grants to students graduating as valedictorians and salutatorians from secondary schools;
6. Tuition fee supplements to students in private colleges and universities;
7. Education Loan Fund; and
8. College Faculty Development Fund.

SEC. 5. *Tuition Fee Supplement for Student in Private High School.* —

1. Financial assistance for tuition for students in private high schools shall be provided by the government through a voucher system in the following manner:
 - a. For students enrolled in schools charging less than one thousand five hundred pesos (P 1,500) per year in tuition and other fees during school year 1988-1989 or such amount in subsequent years as may be determined from time to time by the State Assistance Council: The Government shall provide them with a voucher equal to two hundred ninety pesos (P 290.00): *Provided,* That the student pays in the 1989-1990 school year, tuition and other fees equal to the tuition and other fees paid during the preceding academic year: *Provided, further,* That the Government shall reimburse the vouchers from the schools concerned within sixty (60) days from the close of the registration period: *Provided, furthermore,* That the student's family resides in the same city or province in which the high school is located unless the student has been enrolled in that school during the previous academic year.
 - b. For students enrolled in schools charging above one thousand five hundred pesos (P 1,500) per year in tuition and other fees during the school year 1988-1989 or such amount in subsequent years as may be determined from time to time by the State Assistance Council, no assistance for tuition fees shall be granted by the Government: *Provided, however,* That the schools concerned may raise their tuition fees subject to Section 10 hereof.
2. Assistance under paragraph (1), subparagraphs (a) and (b) shall be granted and tuition fees under sub-paragraph (a) may be increased, on the condition that seventy percent (70%) of the amount subsidized allotted for tuition fee or of the tuition fee increases 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 school, and may be used to cover increases as provided for in the collective bargaining agreements existing or in force at the time when this Act is approved and made effective: *Provided*, That government subsidies are not used directly for salaries of teachers of non-secular subjects. At least twenty percent (20%) shall go to the improvement of modernization of buildings, equipment, libraries, laboratories, gymnasias and similar facilities and to the payment of other costs of operation. For this purpose, schools shall maintain a separate record of accounts for all assistance received from the government, any tuition fee increase, and the detailed disposition and use thereof, which record shall be made available for periodic inspection as may be determined by the State Assistance Council, during business hours, by the faculty, the non-teaching personnel, students of the school concerned, the Department of Education, Culture and Sports and other concerned government agencies.

SEC. 6. *High School Textbook Assistance Fund.* — There shall be established in the Department of Education, Culture and Sports (DECS) a High School Textbook Assistance Fund, so that an assistance on a per student basis shall be given to private schools charging less than one thousand five hundred pesos (P1,500.00) for 1988-1989 per year, or such amount in subsequent years as may be determined from time to time by the State Assistance Council, exclusively for the purchase of high school textbooks, in support of the implementation of the Secondary Education Development Program: *Provided*, That such fund shall not be used for the purchase of books that will advance or inhibit sectarian interest: *Provided, further*, That such textbooks are included in the list approved by the Department of Education, Culture and Sports.

SEC. 7. *Expansion of the Existing Educational Service Contracting (ESC) Scheme.* —

- a. The Department of Education, Culture and Sports (DECS) shall continue to enter into contracts with private schools whereby the Government shall shoulder the tuition and other fee of excess students in public high schools who shall enroll under this program. It shall settle all outstanding obligations before contracting new obligations.
- b. The Department shall also enter into contract with private schools in communities where there are no public high schools, in which case the Department shall shoulder the tuition and other fees of students who shall enroll in said private schools. The number of such schools assisted by the program will be increased every year such that all schools in this category will be assisted within. Four (4) years from the promulgation of this Act.
- c. The amount of assistance to be given by the Government under this Section shall not exceed that determined as the per student cost in public high schools.
- d. The Department shall, fully pay the subsidized amount to participating schools not later than the end of the school year, unless the delay incurred is attributable to the participating schools.
- e. The amount of assistance shall be allocated and distributed among the fourteen (14) regions in proportion to the total population as well as the high school age population for the first school year: *Provided*, That starting school year 1990, an equalization scheme shall be implemented by the State Assistance Council.

SEC. 8. *Assistance to College Freshmen.* —

- a. *The Voucher System of Private Education Student Financial Assistance (PESFA) Program.* The existing Private Education Student Financial Assistance (PESFA) Program which covers decree and vocational/technical courses shall be expanded so that a minimum of ten percent (10%) for the school year 1989, fifteen percent (15%) for the school year 1990, twenty percent (20%) for the school year 1991, twenty-five percent (25%) for the school year 1992 and thereafter, of all enrolling first year students can benefit from a full or partial scholarship, plus an allowance. Such financial assistance shall be granted to deserving underprivileged students, who shall be selected on the basis of family income, geographic spread and results of competitive examinations to be given by the Department of Education, Culture and Sports to students in all secondary schools. The program shall be equitably allocated to provinces and cities in accordance with regional and national plans to priority courses as determined by the Department of Education, Culture and Sports in coordination with the National Economic Development Authority (NEDA). The priority courses shall be submitted to Congress at the start of this program and any changes thereon periodically.

For purposes of this Act, an underprivileged student shall refer to a student whose annual gross income, if any, and that of the combined annual gross income of his parents do not exceed thirty-six thousand pesos (P 36,000).

- b. *Tuition Waiver.* Private colleges and universities shall provide for full or half tuition waivers for five percent (5%) of the entering freshmen, which shall include among others, valedictorians and salutatorians of both public high schools and private high schools charging less than one thousand five hundred pesos (P 1,500) per student per year as of school year 1988-1989, or such amount in subsequent years as may be determined by the State Assistance Council: *Provided*, That those valedictorians and salutatorians meet admission tests and retention requirements of the schools concerned. For this purpose, the tuition rates for entering freshmen in all private schools and colleges may be determined by the school itself, after appropriate consultations with parents, students and the alumni of the school. For this purpose, audited financial statements shall be made available, to authorized representatives of these sectors.
- c. *Allowance for Valedictorians.* Subject to rules and regulations as may be promulgated by the State Assistance Council, valedictorians referred to under subparagraph (b) above, may, in addition to tuition waivers granted by the school concerned, be entitled to such allowances from the government as are provided to PESFA grantees, provided they shall enroll in priority courses.
- d. *Allowance for other Honorees.* In case the graduating class is composed of more than two hundred and fifty students, all salutatorians and first honorable mention graduates thereof may also be entitled to the allowance granted to valedictorians under the preceding paragraph.

SEC. 9. *Further Assistance to Students in Private Colleges and Universities.* — Tuition fee supplements for non-freshmen students of private colleges and universities in priority course programs determined by the Department of Education, Culture and Sports shall be provided by the government through a voucher system in the following manner: