

[EXECUTIVE ORDER NO. 156, November 05, 1968]

CONSTITUTING THE "FUND FOR ASSISTANCE TO PRIVATE EDUCATION" AS AN IRREVOCABLE TRUST FUND, CREATING A "PRIVATE EDUCATION ASSISTANCE COMMITTEE" AS TRUSTEE, AND PROVIDING FOR THE MANAGEMENT THEREOF

WHEREAS, pursuant to a "Project Agreement," entered into on June 11, 1968, between the Government of the Republic of the Philippines and the Government of the United States of America, executed in accordance with the "Exchange of Notes" between said Governments, the sum of Six Million One Hundred Fifty-Four Thousand Dollars (\$6,154,000), U.S. currency, from the Special Fund for Education authorized by U.S. Public Law 88-94, will be made available as a "Fund for Assistance to Private Education" for the purpose of providing a permanent trust fund to finance various programs of assistance to private education; and

WHEREAS, for the purpose aforesaid, it is required that the Fund be constituted as an irrevocable trust fund to be managed and administered by a "Private Education Assistance Committee";

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by law and in pursuance of the "Project Agreement" and the "Exchange of Notes" hereinbefore mentioned, do hereby constitute the "Fund for Assistance to Private Education" (hereinafter called the "Fund") as an irrevocable trust fund under and subject to the terms hereinafter specified:

SECTION 1. Fund for Assistance to Private Education. The principal of the Fund shall consist of the aforesaid sum of Six Million One Hundred Fifty-Four Thousand Dollars (\$6,154,000), U.S. currency, or its Philippine peso equivalent as provided in Section 6(a). In order to insure the enduring character of the Fund, the principal thereof shall be maintained intact but may be augmented from time to time by grants, donations and other lawful transfers by the Government of the Republic of the Philippines or any other public or private entity, the disposition of the income of which shall be governed by the terms and conditions hereinafter outlined.

The Fund shall be managed so as to maximize its earnings and in a prudent manner consistent with its character as a perpetual trust.

SEC. 2. Purpose of the Fund. The Fund shall be established for the purpose of financing programs of assistance to private education, utilizing only the earnings thereof, whether in the form of interests, dividends or capital gains, through grants and/or loans for faculty training and development in the forms of scholarships, research grants, faculty incentives, inter-institutional cooperative projects, and other programs of benefit to private education, but excluding any support of religious worship or instruction.

SEC. 3. Composition of Private Education Assistance Committee. A Committee which will serve as the trustee of the Fund and in this capacity shall administer, manage and supervise the operations of the Fund, which shall be known as the "Private Education Assistance Committee" (hereinafter called the "Trustee"), is hereby created and shall be composed of:

- a) The Secretary of Education or his representative, as Chairman;
- b) A representative from the National Economic Council, as member;
- c) A representative of the Catholic Educational Association of the Philippines, as member;
- d) A representative of the Association of Christian Schools and Colleges, as member; and
- e) A representative of the Philippine Association of Colleges and Universities, as member.

The members of this Committee shall serve without compensation.

SEC. 4. Functions and Responsibilities. The Private Education Assistance Committee shall have the following functions and responsibilities:

- a) Set the investment policy of the Fund;
- b) Establish priorities, which shall be reviewed periodically and revised as necessary in accordance with changing conditions, among the various possible project areas defined by the guidelines hereinafter set forth in Section 10 hereof;
- c) Provide for the receiving and processing of projects sought to be financed by the Fund;
- d) Make all decisions on the use of the Fund's income and capital gains, including final action on individual applications for grants and/or loans;
- e) Avail of professional counsel and services by retaining an investment and financial manager, if desired;
- f) Ensure that materials descriptive of the origin of the Fund for Assistance to Private Education, projects undertaken through grants from the Fund, and buildings financed in whole or in part through grants from the Fund shall appropriately identify the contribution of the Special Fund for Education made available by the people of the United States of America in recognition of the common efforts of the Philippines and the United States during World War II;
- g) Perform such other acts and things as may be necessary, proper or conducive to the purposes and objectives of the Fund and of its programs.

SEC. 5. Non-impairment of Trust Fund. In order to assure the enduring character of the trust fund, the Government of the United States of America and the Government