

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 4568



Introduced by Representative **MARLYN L. PRIMICIAS-AGABAS**

EXPLANATORY NOTE

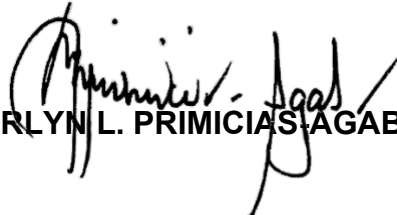
The *1987 Philippine Constitution* mandates the State to “establish, maintain, and support a complete, adequate, and integrated system of education relevant to the needs of the people and society.” In pursuit of this mandate, Local Government Units (LGUs) have increasingly taken the initiative to establish Local Universities and Colleges (LUCs) to expand access to higher education, particularly in underserved communities.

However, the absence of a unified legal framework governing the creation, operation, and supervision of LUCs has resulted in varying standards and practices across the country. This situation has led to disparities in educational quality, governance structures, and compliance with national policies, ultimately affecting the ability of LUCs to fulfill their vital role in local and national development.

This bill seeks to address these gaps by providing a comprehensive governance and regulatory framework for LUCs. It prescribes clear standards for their establishment, mandates coordination with the Commission on Higher Education (CHED), and sets forth the composition and powers of their governing boards, drawing from the best practices institutionalized under *Republic Act No. 8292*, otherwise known as the “*Higher Education and Modernization Act of 1997*.” The bill also ensures that LUCs are subject to CHED’s supervisory and visitorial powers, thereby aligning local higher education institutions with national quality assurance mechanisms.

By requiring feasibility studies, institutional development plans, and compliance with CHED standards prior to the establishment and operation of LUCs, this measure aims to safeguard the quality and sustainability of local higher education. It further provides for the transition of existing LUCs to the new regulatory regime, ensuring that no institution is left behind in the pursuit of educational excellence. The proposed legislation is consistent with the State’s policy to promote equal access to quality education, as enshrined in the *Constitution* and reinforced by *RA 8292*.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


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AN ACT
PROVIDING FOR THE GOVERNANCE AND REGULATION OF LOCAL
UNIVERSITIES AND COLLEGES (LUCs), PRESCRIBING STANDARDS FOR
THEIR ESTABLISHMENT, OPERATION, AND SUPERVISION BY LOCAL
GOVERNMENT UNITS, AND FOR OTHER PURPOSES

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

Section 1. *Short Title.* - This Act shall be known as the “*Local
Universities and Colleges (LUCs) Governance Act*”

Section 2. *Declaration of 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, a
mandatory guideline on the establishment of Local Universities and Colleges
(LUCs) shall be prescribed to achieve a standard and integrated system of
higher education and provide a relevant direction in their governance.

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

- a) “*Commission on Higher Education (CHED)*” refers to the
government agency created by Republic Act No. 7722, otherwise
known as the “Higher Education Act of 1994”, which has
jurisdiction over all public and private higher education institutions
(HEIs) in the Philippines;
- b) “*Civil Service Commission (CSC)*” refers to the Constitutional

Commission of the Philippines with responsibility over the civil service. It is tasked with overseeing the integrity of government actions and processes involving human resource actions;

- c) “*Governing Board*” refers to the highest policy-making body of a local university or college;
- d) “*Local University or College (LUC)*” refers to the public higher education institution established by a local government unit through an enabling ordinance;
- e) “*Local Government Unit (LGU)*” refers to any municipality, city or provincial government that created or established the LUC;
- f) “*Ordinance*” refers to the enabling act of the Sangguniang Bayan, Panlungsod or Panlalawigan that creates a particular LUC; and
- g) “*Sanggunian*” refers to the local legislative body which includes Sangguniang Bayan for Municipality, and Sangguniang Panlalawigan for Province.

Section 4. Coverage. - This Act shall apply to the following:

- a) Educational institutions to be established and operated by LGUs for the purpose of offering higher degree programs;
- b) Educational institutions established and operated by LGUs offering non-degree programs; and
- c) Existing Local Universities and Colleges.

Section 5. Establishment of LUCs. - All LUCs shall be established through an ordinance duly enacted for that purpose by the Sanggunian concerned: *Provided*, That prior to the enactment of the same, the LGU establishing a higher education institution shall consult and coordinate with CHED, through the Regional Office having jurisdiction of the place where the institution is intended to be established, to ensure full compliance with the mandatory requirements as set forth in this Act.

Section 6. Mandatory Requirements for the Establishment of LUC.

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

- (a) Feasibility study that shall include, but not be limited to, the following discussions: 1) the necessity for a local higher education institution in the area; 2) human resource requirements of the industry to determine proposed program offerings; 3) target offerings; 4) financial capacity of the LGU to establish and sustain the operation of the LUC;
- (b) Certification of availability of funds by the treasurer of the LGU concerned, as provided under the pertinent provisions of the Local Government Code of 1991 ;
- (c) A Project Development Plan with program of work, showing that the LGU allocated a school site with appropriate size and location pursuant to the applicable provisions of the Building Code of the Philippines, blueprint of architectural design for its buildings and other physical facilities and provisions for acquisition of instructional materials and equipment that comply with CHED Memorandum Orders (CMOs) pertinent to the program offered;
- (d) A five-year institutional development plan duly approved by the Sanggunian which shall include, but not be limited to, the following:
 - a) annual budgetary allocation; b) organizational structure and composition of the Governing Board; and c) personnel complement indicating the ***plantilla*** of positions to be hired on a merit system and the procedure for hiring non-***plantilla*** items duly approved by the Civil Service Commission.

In all cases, a duly established educational institution by the LGU shall require the imprimatur of the CHED prior to the offering of higher education programs. The Chairman of the Governing Board, or its President when so authorized by the Governing Board, shall file with the CHED an application to offer a higher education program. The application shall be supported with documents indicating compliance with the policies and standards relative to such degree program.

Section 7. *Supervisory and Visitorial Powers of CHED.* - All LUCs shall be subject to the inspection and evaluation of CHED.

Section 8. *The Governing Board of LUCs.* -

- (a) Composition - The governing body of local universities and colleges shall be composed of the following:
1. Local Chief Executive as Chairperson;
 2. President of the LUC as Vice-Chairperson;
 3. President of the duly recognized faculty association of the LUC as member;
 4. President of the duly recognized student council of the LUC as member;
 5. President of the alumni association as member;
 6. Chairman of the Sangguniang Committee on Education as member;
 7. A representative from CHED with a rank not lower than Director as member;
 8. Treasurer of the LGU establishing the LUC;
 9. Budget Officer of the LGU establishing the LUC; and
 10. Two (2) representatives from the private sector, who are of known probity and should have distinguished themselves in their respective professions or fields of specialization in the municipality, city, or province where the local university or college is located. They shall be appointed by the Local Chief Executive and shall each serve for a term of two (2) years from the date of their respective appointments.
- (b) Term of office - i) The President and the presidents of the faculty association, the student council, and the alumni association shall sit in the Board until the expiration of their term of office in such capacities; ii) the two (2) representatives from the private sector shall serve for a term of two (2) years.
- (c) Meetings - The Governing Board shall regularly convene every month. The Chairman of the Board may call for a special meeting

whenever necessary, provided that members are notified in writing at least three (3) days prior to the said meeting.

- (d) Quorum - A majority of all the members of the Governing Board holding office at the time of its regular or special meeting shall constitute a quorum.

Section 9. Powers of the Governing Board. - -The Governing Board of the LUCs shall have the following powers and duties:

- a) To promulgate policies in accordance with the declared state policies on higher education as well as the policies, standards, and thrusts of the CHED under Republic Act No. 7722, otherwise known as the “Higher Education Act of 1994” and other pertinent laws;
- b) To promulgate rules and regulations consistent with existing laws, rules, and regulations as may be necessary to carry out the purposes and functions of the LUC;
- c) To develop academic arrangements and linkages for institutional capability building with appropriate institutions and agencies, both public and private, local, and foreign;
- d) To determine and approve curricular programs and course offerings in response to the needs and demands of the community and based on local and regional development initiatives: *Provided*, That these should comply with policies and guidelines set by CHED;
- e) To promulgate policies on admission, retention, and graduation of students and to award degrees, titles, diplomas, and certificates;
- f) To ensure the efficient management of non-academic services such as medical and dental, guidance and counseling, property maintenance and similar services;
- g) To institutionalize research and extension programs;
- h) To appoint the President of the local university or college upon the recommendation of the search committee;
- i) To confirm appointments of other school officials, teaching and non-teaching personnel appointed by the President;

- j) To delegate any of its powers and duties provided for herein to the President and/or other officials of the university or college as it may deem appropriate to expedite the administration of the affairs of the LUC; and
- k) To fix the tuition fees, miscellaneous fees and other school charges as the board may deem proper to impose after proper consultation with the relevant stakeholders.

Section 10. *Administration of the LUC.* - The administration of the local university or college shall be vested in the President who shall render fulltime service. The Governing Board upon the recommendation of a duly constituted search committee shall appoint him.

The President of the local college or local university shall hold a masters or doctoral degree in education, administration, or other related fields, and should have at least three (3) years of relevant administrative experience, without prejudice to the provision of additional qualifications to be set by the Governing Board of the LUC. The term of office of the President shall be four (4) years, subject to reappointment for another term only.

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

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

The salary of the President of the LUC shall be set by the Board, taking into consideration the applicable rules and regulations of the Civil Service Commission (CSC) and the Department of Budget and Management (DBM), and ensuring that the same shall be comparable to that being received by the

presidents of similar educational institutions.

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

The aforementioned officers and employees may be removed from office for causes established under the rules of the CSC.

Section 11. Search Committee. - In case of vacancy in the Office of the President brought about by any of the causes mentioned in the preceding section, the Governing Board shall organize and convene a Search Committee for the selection of a President. The Search Committee shall have five (5) members to be appointed by the Governing Board with a member each representing the CHED, the LGU concerned, the academe, the business or industry sector, and the Association of Local Colleges and Universities (ALCU). It shall elect a Chairperson and Vice-Chairperson and shall ensure that the new LUC President is selected not later than three (3) months from the time the position is vacated.

Section 12. Elevation to University Status. - A new local higher education institution shall start as a local college. In all cases, the grant of a university status shall be contingent upon the satisfaction of all requirements under applicable rules and regulations of the CHED.

Section 13. Licensure, Civil Service Examination, and Other Benefits of Compliance. - LUCs that have complied with the requirements set forth under this Act shall be accorded the following benefits;

1. Issuance of a Special Order for Graduation from CHED to enable its graduates to take licensure examinations administered by the Professional Regulation Commission;
2. Inclusion in the Directory of CHED-recognized Philippine Universities

and Colleges;

3. Quality assurance support from CHED; and
4. Acceptance of foreign students, subject to compliance with the requirements of appropriate regulatory agencies.

Section 14. *Penalties for Non-Compliance.* - Any person who acts in violation of any provision of this Act shall be subject to an administrative fine of up to Five Hundred Thousand Pesos (Php500,000.00), depending on the severity of the violation, as may be determined in the implementing rules and regulations of this Act.

Section 15. *Existing LUCs.* - In the interest of efficient control and regulations by the CHED, LUCs which are already existing at the time of the effectivity of this Act shall be allowed to continue their operation, subject to compliance with the requirements under this Act within a non-extendible period of three (3) years. Non-compliance with the requirements under this Act within this period shall result in the phase-out or closure of the programs being offered by the LUC concerned.

Section 16. *Implementing Rules and Regulations.* - Within ninety (90) days from the effectivity of this Act, the CHED, in coordination with relevant agencies, the Association of Local Colleges and Universities (ALCU), and other stakeholders, shall promulgate the implementing rules and regulations necessary to carry out the provisions of this Act.

Section 17. *Separability Clause.* - If any provision of this Act is declared invalid or unconstitutional, the provisions not affected thereby shall remain in full force and effect.

Section 18. *Repealing Clause.* - All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

Section 19. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,