

Special Provision(s) Applicable to the State Universities and Colleges

1. Tuition Fees and School Charges. SUCs are authorized to collect tuition fees and other necessary school charges in accordance with R.A. No. 8292. In consonance with the policies enumerated under said law, all SUCs shall ensure that fees and charges collected are at such rates that would implement a cost recovery program and a socialized scheme of tuition and school fees in order to democratize access to education by poor and deserving students.

All income from tuition fees and other school charges shall be retained and deposited by SUCs in an authorized government depository bank: PROVIDED, That where there are no government banks in the locality, such income may be deposited in non-government banks, subject to BSP Circular No. 110 dated June 14, 1996.

Said income, including the amounts appropriated herein, shall be used primarily for programs and projects that directly support the core mandate of SUCs and creation of additional positions as well as payment of magna carta benefits of public health workers subject to guidelines issued by the DBM. In no case shall said income be used for the payment of allowances and other benefits not authorized by law.

Disbursements or expenditures by the SUCs in violation of the above requirements shall be void and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of E.O. No. 292, and to appropriate criminal action under existing penal laws.

The SUCs shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said income and the corresponding expenditures. Likewise, it shall submit to the DBM not later than March 1 of the current year its audited financial statement for the immediately preceding year. The presidents of SUCs and their web administrators or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the SUCs websites.

2. Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the University of the Philippines-Philippine General Hospital (UP-PGH), the Western Visayas State University (WVSU) Hospital and such other hospitals or medical centers under SUCs shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements: PROVIDED, That at least twenty five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services.

In no case shall said amount be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospitals in violation of the above requirements shall be void and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of E.O. No. 292, and to appropriate criminal action under existing penal laws.

The SUCs shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said income and the corresponding expenditures. Likewise, it shall submit to the DBM not later than March 1 of the current year its audited financial statement for the immediately preceding year. The presidents of the SUCs and their web administrators or equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the SUCs websites.

3. Income from Intellectual Property. Income derived from the sale, marketing and commercialization of intellectual property created by the faculty and personnel of SUCs shall accrue to the SUCs in accordance with Sections 30 and 178 of R.A. No. 8293.
4. Expanded Students' Grants-in-Aid Program for Poverty Alleviation. The amounts appropriated herein for the Expanded Students' Grants-in-Aid Program for Poverty Alleviation shall be used for the tertiary education of poor and deserving students. The Program shall cover only SUCs with course offerings aligned with the priorities of the government in key growth areas, such as, semiconductor and electronics, business process outsourcing, tourism, agriculture and fisheries, general infrastructure, and other priority manufacturing industries.

The SUCs shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the utilization of funds, including the list of beneficiaries. The presidents of the SUCs and their web administrators or equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the SUCs websites.

Implementation of this provision shall be subject to the CHED, DBM, DSWD, DOLE and Philippine Association of State Universities and Colleges JMC No. 2014-1 dated February 3, 2014 and other pertinent guidelines issued by the agencies concerned.

5. Tulong Dunong Program. The amount appropriated herein for implementation of the Tulong Dunong Program shall be used exclusively for the grant of financial assistance to qualified and deserving students.

The SUCs shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the utilization of funds, including the list of beneficiaries. The presidents of the SUCs and their web administrators or equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the SUCs websites.

Implementation of this provision shall be subject to guidelines as may be issued for the purpose.

6. SUCs Programs and Course Offerings. SUCs shall maintain only programs and courses that directly support their core mandate and may open only programs and courses aligned with global innovation platforms of science, technology, engineering, agri-fisheries and mathematics as well as the priorities of the government in key growth areas, such as semiconductor and electronics, business process outsourcing, tourism, general infrastructure, and other priority manufacturing industries, subject to the approval of their governing boards and the CHED in accordance with R.A. No. 8292: PROVIDED, That funding requirements of new programs and courses shall be charged against internally-generated income.

7. Program of Receipts and Expenditures. SUCs shall submit to the DBM and CHED not later than November 15 of the preceding year a copy of their Program of Receipts and Expenditures (PREs) for the current year as approved by their respective governing boards pursuant to R.A. No. 8292. They shall likewise submit to the DBM not later than March 1 of the current year their respective audited financial statements for the immediately preceding year.

The PREs shall include: (i) a statement of receipts and expenditures consistent with the COA Chart of Accounts; (ii) all receipts from internally generated income and the proposed appropriations under the FY 2016 National Expenditure Program; and (iii) proposed expenditures.

8. Unified Priority Research Agenda. The amounts appropriated herein for new research and development projects under the SUCs budgets shall be used for research and development projects that are consistent with, and directly related to, the priority programs of the government under the Philippine Development Plan (2011-2016).

The presidents of the SUCs and their web administrators or equivalent shall be responsible for ensuring that the annual report on the utilization of funds, including the list of recipient public or private entities, status of research being undertaken, and the amount released and utilized for each project are posted on the SUCs websites.

9. Creation, Conversion or Reclassification of Positions. SUCs may be allowed to create, convert, or reclassify positions as long as there is an authorized allocation for the purpose as appearing in their respective PREs or when funded through the abolition of vacant positions in accordance with DBM Circular Letter No. 2004-7 dated March 25, 2004. SUCs shall likewise observe the following: (i) the number of positions to be created shall be at least the same number of positions abolished; (ii) the staffing modifications which will increase the number of lower level teaching positions may be allowed to augment inadequate teaching personnel; and (iii) no increase in the total Personnel Services of the SUC.

10. Laboratory Classes of SUCs. SUCs are allowed to maintain laboratory classes for their teaching education program in accordance with the policy of the CHED. Each SUC shall maintain not more than five hundred (500) students in their laboratory classes, with one (1) teacher for every twenty-five (25) students. Secondary school teaching positions in excess of the required number of teachers for laboratory classes shall be transferred to the DepEd. Pending actual transfer, the funding requirements for said positions shall continually be paid by the host SUC.

11. Allocation of Maintenance and Other Operating Expenses. The allocation of MOOE for SUCs shall be computed in accordance with the Normative Funding Scheme prescribed under DBM-CHED Joint Circular No. 2 dated August 3, 2004.

12. Vocational and Practicum Training of Students. SUCs are authorized to avail the voluntary services of their students in the construction or repair of buildings and the fabrication or repair of buildings and the fabrication or repair of equipment subject to the payment of twenty-five pesos (P25) per hour but not to exceed four (4) hours a day.

They may likewise utilize student labor for academic, research, extension and administrative matters as part of practicum training subject to payment of twenty-five (P25) per hour.

13. Release of Funds for Branches of SUCs. SUCs shall release the allocations identified in the PREs directly to their branches without any reduction by the main campus.
14. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions: