



**DEPARTMENT OF BUDGET AND MANAGEMENT
and
COMMISSION ON HIGHER EDUCATION**

**JOINT CIRCULAR No. 1, s. 2003
May 29, 2003**

TO : THE HEADS OF STATE UNIVERSITIES AND COLLEGES (SUCs); THE REGIONAL DIRECTORS OF THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM) AND THE COMMISSION ON HIGHER EDUCATION (CHED); AND ALL OTHERS CONCERNED

SUBJECT: : SUC Leveling Instrument and Guidelines for the Implementation Thereof

- 1.0 This Circular is issued to revise the SUC leveling criteria contained in National Compensation Circular (NCC) No. 56, dated September 30, 1989, implementing RA 6758, the Compensation and Position Classification Act of 1989. Said NCC 56 provides for four levels of SUCs which shall be the basis of the classification of SUC President and Vice-President positions.
- 2.0 The new SUC Leveling Instrument, jointly formulated by the CHED, DBM and the Philippine Association of State Universities and Colleges (PASUC), attached herewith as Annex A shall be the basis for determining the classification and salary grade of the SUC President and the allowable number of Vice Presidents to be designated.
- 3.0 To implement the said Instrument, all SUCs shall submit to the CHED Regional Office concerned all pertinent documents for evaluation. The initial evaluation shall be done jointly by the regional offices of CHED and DBM. The results shall be forwarded for final approval by the National Evaluation Committee (NEC) co-chaired by CHED and DBM. The NEC shall be composed of three (3) other members, one from DBM, one from CHED, and the PASUC Executive Director. Such evaluation shall be undertaken once every three (3) years starting 2003.
- 4.0 The existing classification and salary grade of the SUC President in a SUC whose institutional level as evaluated under the Instrument is higher than its present level shall be adjusted accordingly.
- 5.0 On the other hand, the classification and salary grade of a SUC President in a SUC whose institutional level as evaluated under the Instrument, is lower than its present level shall be maintained. However, once vacated, the classification and salary grade of said position must conform to the SUC level as evaluated.

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- 6.0 No new plantilla position of Vice-President shall be created. Instead, designations may be made in accordance with the classification of the SUCs as evaluated under this Instrument.
- 7.0 All existing plantilla positions of Vice-President may be maintained and shall be considered coterminous with the incumbent. Such position shall be abolished once vacated.
- 8.0 The number of Vice-Presidents, both designated and appointed, shall not exceed the number prescribed for its level as evaluated under the Instrument.
- 9.0 No incumbent shall suffer a reduction in salary, allowances and benefits as a consequence of the implementation of the SUC Leveling Instrument.
- 10.0 No release shall be made for the initial implementation of this Circular. It is understood that any amount needed shall be sourced from available savings or income of the SUC concerned.
- 11.0 This Circular shall take effect immediately.



EMILIA T. BONCODIN

Secretary

Department of Budget and Management



ESTER A. GARCIA

Chairperson

Commission on Higher Education

LEVELING INSTRUMENT FOR STATE UNIVERSITIES AND COLLEGES (SUCs) AND GUIDELINES FOR IMPLEMENTATION

I. RATIONALE

The SUC Leveling Instrument is used to determine the classification level of the SUC President and Vice President, including the allowable number of the latter. The present instrument was established in National Compensation Circular No. 12 which took effect May 1, 1979. Many of the SUCs have outgrown their levels quantitatively and qualitatively, hence, their stages of development need to be reevaluated. The leveling instrument also needs updating to make it more sensitive to the state of development of SUCs and to take into account the level of performance of an institution in the areas of instruction, research and extension, as well as management of resources.

There is therefore a need to revise the existing SUC Leveling Instrument. The *Leveling Instrument for SUCs and Guidelines for Implementation* contained herein were prepared jointly by the Commission on Higher Education (CHED), the Department of Budget and Management (DBM) and the Philippine Association of State Universities and Colleges (PASUC). The Instrument responds to the standards for SUCs set by the CHED on quality and excellence, relevance and responsiveness, access and equity; the Long Term Higher Education Development Plan, 2001-2010; and the recommendation of the Presidential Commission on Educational Reforms to make SUCs self-sustaining institutions.

II. BACKGROUND

Under NCC 12, SUCs were categorized into nine (9) levels which were determined through a quantitative evaluation of enrolment size, number of programs, faculty size and profile, resources devoted to research, extension and non-formal training activities, number of dormitories and residents, appropriations for current operating expenditures and other related factors.

Upon the implementation of RA 6758, also known as the Salary Standardization Law (SSL) in 1989, the 9 levels were compressed into only four (4) levels. The seventy eight (78) SUCs existing at that time were allocated to these four levels. Since then, the number of SUCs has grown to 111. SUCs created subsequent to the initial leveling have not yet been evaluated.

For purposes of clarity, the following terms are hereby defined operationally:

Accreditation Status – Program offerings with accreditation from accrediting agencies.

Center of Excellence/Center of Development – Programs identified as such by CHED.

Extension Programs – Programs that are approved by the SUC Board and are intended for and responsive to the needs of the community for people empowerment and self-reliance, e.g. programs for transfer of technology and know how and dissemination of research outputs or making them easily available to stakeholders.

Faculty profile – Highest educational attainment or degree attained by the current members of the faculty in their respective areas of specialization, and percentage of faculty with master's and doctoral degrees.

Income and receipts from non-government sources – Includes revenues from tuition, Income Generating Projects, sale of intellectual products, fees for consultancy and other services, and grants or donations from non-government agencies, and financial assistance from Local Government Units (LGUs).

Points Allocation – The number of points assigned to specific components or indicators of a criterion.

PRC Performance – Percentage passing grade in Professional Licensure Examinations compared to national percentage passing grade during the last three years preceding to the evaluation.

Recognized extension program – Extension program approved by the SUCs board and are acknowledged in the area of implementation.

Scholarships – Grants/ financial awards given to students based on merit or scholastic qualifications, awarded by donors outside the SUC (e.g. DOST, CHED, Metrobank Foundation, Inc). The sending of scholars is an indication of recognition by the donors of the quality of an HEI's programs.

SUC Level – The classification earned by any SUC after undergoing evaluation using the 2003 SUC leveling scheme.

Total Budget – The annual appropriation to cover the operations of a SUC as provided in its Program of Receipts and Expenditures inclusive of the funding in the General Appropriations Act and other internally generated sources.

Weighted Enrolled Units – Total Full Time Equivalent (FTE) units per program weighted according to priority in accordance with DBM guidelines formulated in consultation with CHED.

IV. LEVELING CRITERIA

The criteria herein established measure the SUCs' institutional performance covering areas relative to the programs, functions and operations of SUCs focusing on instruction, research, extension and management capability. The prescribed four (4) KRAs are assigned specific points allocation with a total of thirty-five (35) points for purposes of SUCs leveling. Weights are similarly assigned to sub-indicators not exceeding the total point allocation of each KRA.

| Criteria | | Points |
|--|---|---------------|
| A. KRA: Quality and Relevance of Instruction | | 17 |
| 1. Number of Weighted Enrolled Units | 5 | |
| 2. Accreditation Status/ COE or COD | 3 | |
| 3. PRC Performance | 2 | |
| 4. Faculty Profile | 5 | |
| 5. Scholarships | 2 | |
| B. KRA: Research Capability and Outputs | | 8 |
| 1. Research Outputs published in International/ national/local journals | | |
| 2. Research Outputs Disseminated/Presented | | |
| C. KRA: Relations with and Services to the Community | | 5 |
| 1. No. of recognized extension program (minimum of 8 hours duration) | 3 | |
| 2. Community/population served | 2 | |
| D. KRA: Management of Resources | | 5 |
| 1. Income from Non-Government Sources | 4 | |
| 2. HRD Program/System Including Faculty Development Program | 1 | |
| TOTAL | | 35 |

A.1 SUC LEVELS

There shall be four levels of SUCs with Level IV as the highest, as rated in accordance with the set of criteria and weights indicated in the succeeding provisions.

| Level | Description |
|-------------|--|
| IV | These SUCs are good in undertaking the full range of functions of a state university/college, namely, instruction, research and extension as manifested through demonstrated teaching effectiveness, research competence, active community service, and efficient management of resources. SUCs at this level must meet at least the minimum percentage points in each key result area (KRA) for Level IV as indicated in Table 1. |
| IIIA | These SUCs are effective in undertaking the functions of state university/college but fall short of the qualities of a Level IV SUC. This level covers SUCs that have teaching as their core business. They may not normally undertake institutional research although faculty keep up with developments in their discipline through their personal study and the faculty development programs which aim to upgrade and update their knowledge, skills and competencies. They, however, undertake such activities as extension and networking. This level includes SUCs that meet at least the minimum percentage points in each key result area (KRA) for Level IV as indicated in Table 1. |
| IIIB | These SUCs, by the nature of their accredited programs as indicated by their charter, are considered as research oriented colleges and universities in their areas of specialization. These include specialized colleges and universities and those that offer graduate programs with thesis/dissertation requirements. This level includes SUCs that meet the minimum percentage points in each KRA for a Level IIIB SUC as indicated in Table 1. |
| II | This level includes SUCs that are still in the early stages of their development. They should meet the minimum percentage points in each KRA for a Level II SUC as indicated in Table 1. |
| I | All other SUCs that do not meet the minimum percentage points in each KRA for at least a Level II SUC. |

A.2 KEY RESULT AREAS

The four Key Result Areas (KRAs) represent the major indicators that would measure the stages of development and institutional performance of the respective SUCs.

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| TABLE 1 MINIMUM POINTS PER KEY RESULT AREA FOR EACH LEVEL | | | | | |
|--|----------------|----------------|-----------|-----------|-----------|
| KEY RESULT AREA (KRA) | Maximum Points | Minimum Points | | | |
| | | IV | IIIA | IIIB | II |
| A. Quality and Relevance of Instructions | 17 | 14 | 10 | 8 | 6 |
| B. Research Capability and Outputs Within the last three (3) years | 8 | 6 | 4 | 6 | 3 |
| C. Relations with and Services to the Community | 5 | 4 | 3 | 3 | 1 |
| D. Management of Resources | 5 | 4 | 3 | 3 | 1 |
| TOTAL | 35 | 28 | 20 | 20 | 11 |

Each SUC must meet the minimum point score in each KRA for a particular SUC level notwithstanding that it meets the corresponding total point score. The lowest point score in any KRA shall determine the level of the SUC. Thus, a SUC that gets a total score of 28 or higher but with a score of 3 in management of resources will not be considered Level IV but will only be considered as a Level III SUC.

B. POINT ALLOCATION SYSTEM

A. QUALITY AND RELEVANCE OF INSTRUCTION -

17

1. Number of Weighted Enrolled Units (WEU) - 5

| Total WEU | Points |
|-------------------|--------|
| 500,000 and above | 5 |
| 200,000 - 499,999 | 4 |
| 100,000 - 199,999 | 3 |
| 30,000 - 99,999 | 2 |
| Less than 30,000 | 1 |

2. Accreditation Status or COE/COD - 3

Accreditation Status

- a. Every accredited baccalaureate program at Level I* 0.25

* refers to accreditation level conferred by certified accrediting agencies

| | |
|--|------|
| Level II | 1.00 |
| Level III | 2.00 |
| b. Every accredited Masteral program at | |
| Level I | 0.50 |
| Level II | 1.50 |
| Level III | 2.50 |
| c. Every accredited Doctorate program at | |
| Level I | 0.75 |
| Level II | 2.00 |
| Level III | 3.00 |
| COE or COD | |
| Every COE | 1.0 |
| Every COD | 0.5 |

| <u>Total Points</u> | <u>Points</u> |
|---------------------|---------------|
| 10 and above | 3 |
| 5 - 9 | 2 |
| 1 - 4 | 1 |

3. PRC Performance - maximum of 2 points
Every program with percentage
passing higher than national
percentage passing - 0.5
4. Faculty Profile - 5
Highest educational attainment attained by
the members of the faculty in their respective
areas of specialization, and percentage of faculty
with masteral and doctoral degree

**For SUCs categorized under Teacher Education
Agriculture, and General Comprehensive**

Percentage of Master's Degree Holders

35% or more (Inclusive of part-time
faculty where teaching hours are
converted to full time equivalent) -

3

25 - 34% (Inclusive of part-time faculty where
teaching hours are converted
to full-time equivalent - 2

Less than 25% but more than 10 % active faculty
development program wherein faculty
are pursuing their Master's 1

Percentage of Doctoral Degree Holders

20% or more (Inclusive of part-time
faculty where teaching hours are
converted to full time equivalent) - 2

10 % - 19 % 1

Less than 10 % but with deficiency
covered by equivalent % of faculty
actively working on their PhD 0.5

For SUCs categorized under Science, Technology and Engineering

Percentage of Master's Degree Holders In Hard Science

More than 20% (Inclusive of part-time
faculty where teaching hours are
converted to full time equivalent) 5

18 - 20 4

14 - 17 3

10 - 13 2

Less than 9 1

An add-on points for SUCs with PhD holders will be
considered for SUCs not getting the maximum
points under this category following the scale
provided under the Agriculture, Teacher Education
and General Comprehensive SUCs

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5. Scholarships - 2

Average number of merit scholars
for the last three years

| | |
|--------------|-----|
| 30 and above | 2 |
| 20 - 29 | 1 |
| 19 and below | 0.5 |

B. RESEARCH CAPABILITY AND OUTPUTS 8
WITHIN THE LAST THREE (3) YEARS

1. Each Research Output Published
 - a. International journals 3
 - b. National journals 2
 - c. Local journals 1
2. Each Research Output Disseminated/Presented
 - a. International fora/conferences 2.0
 - b. National fora/conferences 1.0
 - c. Local fora/conferences 0.5

For SUCs categorized under Agriculture

| Total Points | | | Points |
|--------------|---|-----------|--------|
| 80 | - | and above | 8 |
| 70 | - | 79 | 7 |
| 60 | - | 69 | 6 |
| 50 | - | 59 | 5 |
| 40 | - | 49 | 4 |
| 30 | - | 39 | 3 |
| 20 | - | 29 | 2 |
| 1 | - | 19 | 1 |
| | | 0 | 0 |

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**For SUCs categorized under Teacher Education,
Science and Engineering and General Comprehensive**

| Total Points | | | Points |
|--------------|---|--------------|--------|
| | | 45 and above | 8 |
| 40 | - | 44 | 7 |
| 35 | - | 39 | 6 |
| 30 | - | 34 | 5 |
| 25 | - | 29 | 4 |
| 20 | - | 24 | 3 |
| 15 | - | 19 | 2 |
| 1 | - | 14 | 1 |
| | | 0 | 0 |

C. RELATIONS WITH AND SERVICES TO COMMUNITY

**(Recognized or Acknowledged Program Within the last three
(3) years) - 5**

1. No. of recognized extension programs
(w/ minimum of 8 hrs) conducted
(approved/authorized by the board) 3

| No. of Extension Programs Recognized | | | Points |
|---|---|------------|--------|
| | | 50 or more | 3 |
| 25 | - | 49 | 2 |
| 5 | - | 24 | 1 |

2. Community /Population Served 2

| No. of Trainees of training programs | | | Points |
|--------------------------------------|-----|-------|--------|
| 900 | and | above | 2 |
| 300 | - | 899 | 1 |

D. MANAGEMENT OF RESOURCES - 5

1. Production and Income from Non-
Government Sources - Proportion of } Total Income
Total Income Raised From Non- } Total Budget
GAA Sources over Total Budget }



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| <u>%</u> | | | Points |
|--------------|---|----|--------|
| 25 And above | | | 4 |
| 16 | - | 24 | 3 |
| 4 | - | 15 | 2 |
| 1 | - | 5 | 1 |

2. HRD Program/System Including Faculty Development Program
With active faculty/non-faculty development program

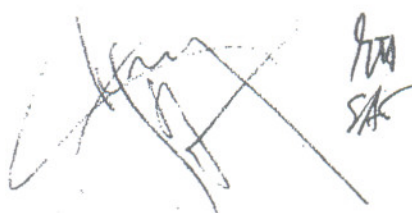
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V. GUIDELINES FOR IMPLEMENTATION

1. The four (4) levels of SUCs with the prescribed allocation points and minimum requirements in accordance with the criteria set forth in this *Leveling Instrument for SUCs and Guidelines for Implementation* shall be used in determining the classification and salary grade of the SUC President and Vice President, including the number of the latter.
2. To ensure expeditious evaluation, a self-survey questionnaire to be designed by CHED, DBM and PASUC will be accomplished under oath by each institution. The accomplished questionnaire shall be submitted to the CHED Regional Office concerned. A Regional Evaluation Committee (REC) shall be convened composed of the regional directors of CHED and DBM. The CHED Regional Director shall designate appropriate CHED staff as Secretariat.

All quantifiable data available at the CHED and DBM Management Information System (MIS) shall be used. However, in cases where quantifiable and non-quantifiable data are not available in said data sources, data claimed by the institution may be verified by the REC through actual visit/ocular inspection.

3. The results of the REC evaluation shall be forwarded for final approval of the National Evaluation Committee (NEC) established under Section 3.0 of Joint DBM-CHED Circular No. 1, s. 2003. The NEC composition shall be the DBM Secretary and CHED Chairman as co-chairs and three (3) other members, one from DBM, one from CHED and the PASUC Executive Director. In addition to the power to review documents for evaluation, the NEC shall be authorized to conduct actual ocular visits/inspection to the SUCs concerned.



4. The first evaluation under this instrument shall be undertaken within a period of one semester from issuance.
5. All SUCs shall be subject to evaluation every three years effective June 2003.

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