

FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

7 JUL -2 1995

RECEIVED BY: 

SENATE

Senate Bill No. 530

Introduced by Sen. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

In 1994, the Commission on Higher Education was created to take on the responsibility of the then Department of Education, Culture and Sports over higher education and research. Essentially, the Commission was provided overall supervision and regulatory powers over private higher educational institutions and degree programs, and limited influence over state universities and colleges through chairmanship of their governing boards and the recommendation of their budgets to the Department of Budget and Management.

To enhance its developmental role in the higher education subsystem, the Commission was armed with a Higher Education Development Fund which it can use to support, among others, faculty development, the development of centers of excellence in various fields of learning, and enhancing governance over, and linkages between and among, private and public higher educational institutions.

More than a decade after its creation, experiences as well as the enactment of several laws on different professions and professional regulations have necessitated the need to clarify the powers and strengthen the Commission.

The increase in the number of state universities and colleges (SUCs) as well as the imminent and problematic creation of locally-funded universities and colleges (LUCs), and the concomitant offering by these SUCs and LUCs of numerous degree programs without a CHED evaluation, the rational allocation of state support to these SUCs, the absence of a grievance and conciliation mechanism on academic issues, and the limitation on the number of educational institutions that may be created, are all being addressed in this Bill.

Lastly, this bill seeks to clarify that the Higher Education Development Fund is a trust fund and therefore is free from restriction or limitation on budgetary releases.

In view thereof, immediate approval of this Bill is sought.


JINGGOY EJERCITO ESTRADA
Senator

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S E N A T E

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Introduced by Sen. JINGGOY EJERCITO ESTRADA

AN ACT
STRENGTHENING THE COMMISSION ON HIGHER EDUCATION (CHED),
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7722, ENTITLED "AN
ACT CREATING THE COMMISSION ON HIGHER EDUCATION,
APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES"

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

SECTION 1. Section 2 of Republic Act (R. A.) No. 7722 is hereby amended to read as follows:

"SEC. 2 *Declaration of Policy.* - The State shall protect, foster and promote the right of all citizens to affordable quality education at all levels and shall take appropriate steps to ensure that education shall be accessible to all. The State shall likewise ensure and protect academic freedom and shall promote its exercise and observance for the continuing intellectual growth, the advancement of learning and research, the development of responsible and effective leadership, the education of high-level [and middle-level] professionals, and the enrichment of our historical and cultural heritage.

X X X X"

SEC. 2. Section 3 of R.A. 7722 is amended to read as follows:

"SEC. 3. *Creation of the Commission on Higher Education.* - In pursuance of the abovementioned policies, the Commission on

Higher Education is hereby created, hereinafter referred to as the Commission.

The Commission shall be a collegial body independent and separate from the Department of Education, [Culture and Sports (DECS)] (DEPED), and attached to the Office of the President for administrative purposes only. Its coverage shall be both public and private institutions of higher education [as well as degree-granting OFFERING DEGREE programs [in all post-secondary educational institutions, public and private]].

SEC. 3. Section 4 of R.A. 7722 is hereby deleted and replaced with a new Section 4, to read as follows:

“SEC. 4. BOARD OF COMMISSIONERS. THERE SHALL BE A MULTI-SECTORAL AND INTERDISCIPLINARY GOVERNING BOARD OF COMMISSIONERS RESPONSIBLE FOR POLICY-MAKING AND GOVERNANCE OF THE ENTIRE SUBSYSTEM OF HIGHER EDUCATION. IT SHALL BE COMPOSED OF SEVEN MEMBERS WHO WILL SERVE IN PART-TIME CAPACITY AND WHO SHALL REPRESENT THE ACADEME, PROFESSIONAL ASSOCIATIONS, PRIVATE AND PUBLIC BUSINESS AND INDUSTRY AND SUCH OTHER SECTORS WHICH HAVE DIRECT STAKES IN HIGHER EDUCATION: *PROVIDED*, THAT, THE DIRECTOR-GENERAL OF THE SECRETARIAT SHALL BE AN EX-OFFICIO BUT NON-VOTING MEMBER OF THE BOARD.

THE COMMISSIONERS SHALL BE PERSONS OF HIGHEST PROFESSIONALISM AND INTEGRITY, AND WHO HAVE DISTINGUISHED THEMSELVES AS AUTHORITIES AND EXPERTS IN THEIR CHOSEN FIELDS OF LEARNING AS PROFESSORS, RESEARCHERS, MANAGERS, PROFESSIONAL

PRACTITIONERS AND OTHER LINES OF ENDEAVORS THAT CAN CONTRIBUTE TO THE EFFICIENT AND EFFECTIVE EXTERNAL GOVERNANCE OF HIGHER EDUCATION. NO PERSON CAN BE APPOINTED COMMISSIONER IF HE HAS BEEN A CANDIDATE FOR ELECTIVE POSITION IN THE IMMEDIATELY PRECEDING ELECTION.

IN NO CASE SHALL ANY AND ALL OF THE COMMISSIONERS APPOINT REPRESENTATIVES TO ACT ON THEIR BEHALF.

THE COMMISSION SHALL BE AN EQUAL-OPPORTUNITY INSTRUMENTALITY AND SHALL STRICTLY ADHERE TO THE TENETS OF TRANSPARENCY AND ACCOUNTABILITY. TO DEMOCRATIZE THE SELECTION AND APPOINTMENT OF PERSONS IN THE BOARD OF COMMISSIONERS AND THE SECRETARIAT, ALL VACANCIES IN THE COMMISSION AND THE SECRETARIAT SHALL BE WELL-PUBLICISED AND TO WHICH THE APPLICATION BY INDIVIDUALS OF MOST SUITABLE PROFESSIONAL QUALIFICATIONS AND MORAL PROBITY SHALL BE ENCOURAGED. TO PRESERVE ACADEMIC AND FISCAL AUTONOMY, THE COMMISSIONERS SHALL ELECT FROM AMONG THEMSELVES THE CHAIRMAN AND VICE CHAIR OF THE COMMISSION.

THE COMMISSION SHALL REGULARLY MEET ONCE IN TWO MONTHS: *PROVIDED, HOWEVER,* THAT UPON CERTIFICATION OF THE DIRECTOR-GENERAL OF THE SECRETARIAT, IT SHALL CONVENE SPECIAL MEETINGS IF THE EXIGENCIES SO WARRANT.

SEC. 4. Section 5 of R.A. 7722 is hereby amended to read as follows:

“SEC. 5. *Term of Office.* - The President shall appoint ALL the [full-time chairman and the commissioners for a term of four (4) years,] MEMBERS OF THE BOARD OF COMMISSIONERS without prejudice to [one] reappointment BASED ON MERIT AND TRACK RECORD OF PERFORMANCE. The terms of the initial appointees shall be on a staggered basis TO ENSURE CONTINUITY AND COHERENCE OF POLICIES AND PROGRAMS ACROSS ADMINISTRATIONS. [: the full-time chairman] A SET OF THREE COMMISSIONERS shall hold office for a term of [four (4)] FIVE (5) years, the next two (2) commissioners for three (3) years, and the last two (2) commissioners for two (2) years.

The Commission shall hold office until their successors shall have been appointed and qualified. Appointment to any vacancy shall only be for the unexpired term of the predecessor. In no case shall any commissioner be appointed or designated in a temporary or acting capacity.”

SEC. 5. Section 6 of the same Act is hereby amended to read as follows:

“SEC. 6. *Rank and Emoluments.* – The chairman, VICE CHAIR and the commissioners shall have the rankS AND EMOLUMENTS CORRESPONDING OR COMPARABLE TO THOSE APPOINTED IN THE POLICY AND GOVERNING BOARDS OF PRIVATE AND PUBLIC CORPORATIONS AS MAY BE DETERMINED BY THE OFFICE OF THE PRESIDENT [of a Department Secretary and Undersecretary, respectively. They shall receive the compensation and emoluments corresponding to those of a Department Secretary and Undersecretary, respectively, and shall be subject to the same qualifications].

SEC. 6. A new Section 7 is hereby inserted to the same Act as follows:

"SEC. 7. *DUTIES AND RESPONSIBILITIES OF THE CHAIRMAN.* – SUBJECT TO PERTINENT LAWS AND THE POLICIES AND RULES ADOPTED BY THE COMMISSION, THE CHAIRMAN SHALL:

- (1) ACT AS THE PRESIDING OFFICER OF THE COMMISSION EN BANC;
- (2) SUBMIT TO THE OFFICE OF THE PRESIDENT RULES AND REGULATIONS ADOPTED BY THE COMMISSION, WHICH REQUIRE PRESIDENTIAL ATTENTION INCLUDING ANNUAL AND OTHER PERIODIC REPORTS; AND
- (3) DIRECT THE DIRECTOR-GENERAL OF THE SECRETARIAT ON THE PERFORMANCE OR EXECUTION OF THE DECISIONS AND POLICIES OF THE BOARD OF COMMISSIONERS"

SEC. 7. A new Section 8 is hereby inserted to the same Act as follows:

"SEC. 8. *DUTIES AND RESPONSIBILITIES OF THE COMMISSIONERS.* – IN THE SPIRIT OF COLLEGIALLY, JOINTLY WITH THE CHAIRMAN, THE COMMISSIONERS SHALL BE RESPONSIBLE FOR THE EFFECTIVE EXERCISE OF THE POLICY AND RULE-MAKING, RESOURCE ALLOCATION AND MANAGEMENT FUNCTIONS OF THE COMMISSION OVER THE ENTIRE HIGHER EDUCATION SUBSYSTEM. THEY SHALL LIKEWISE PERFORM SUCH OTHER FUNCTIONS AS MAY BE DELEGATED BY THE COMMISSION. IN CASE OF THE ABSENCE OF THE CHAIRMAN AND THE VICE CHAIR DUE TO ILLNESS, INCAPACITY OR OTHER SERIOUS CAUSE, THE MOST SENIOR FULL-TIME COMMISSIONER SHALL PERFORM THE FUNCTIONS OF THE CHAIRMAN.

NOTHING IN THIS ACT SHALL BE CONSTRUED TO MEAN THE DEROGATION OF THE PREROGATIVES OF INTERNAL GOVERNANCE AND FISCAL AUTONOMY OF THE INSTITUTIONS OF HIGHER LEARNING AS WELL AS PROMOTE A CONFLICT OF INTEREST BETWEEN THE FUNCTIONS OF INSTITUTIONAL GOVERNING BOARDS AND THOSE OF THE COMMISSION IN THE EXERCISE OF THE LATTER'S COORDINATIVE AND OVERSIGHT FUNCTIONS OVER THE FORMER."

SEC. 8. Section 7 of the same Act is hereby renumbered as Section 9.

SEC. 9. Section 8 of R.A. 7722 is hereby amended to read as follows:

"SEC. [8] 10. *Powers and Functions of the Commission.* - The Commission shall have the following COLLEGIAL powers and functions OVER THE SECRETARIAT AND THE HIGHER EDUCATION INSTITUTIONS:

- a) formulate and [recommend] IMPLEMENT development plans, policies, priorities and programs on higher education and research; AND RECOMMEND TO THE EXECUTIVE AND LEGISLATIVE BRANCHES, PRIORITIES AND GRANTS ON HIGHER EDUCATION AND RESEARCH;
- [b) formulate and recommend development plans, policies, priorities and programs on research;
- c) recommend to the executive and legislative branches, priorities and grants on higher education and research;]
- B) APPROVE THE CHANGES IN THE INSTITUTIONAL STATUS OF PRIVATE UNIVERSITIES AND COLLEGES AND RECOMMEND TO THE LEGISLATURE THE CREATION, DISSOLUTION AND MERGER OF STATE COLLEGES AND UNIVERSITIES AND OTHER PUBLICLY FUNDED TERTIARY

INSTITUTIONS ON THE BASIS OF NATIONAL AND SECTORAL DEVELOPMENT PLANS;

[d] C) *set minimum standards for programs and institutions of higher learning recommended by panel of experts in the field and subject to public hearing, and enforce the same.*

LIKEWISE, IT SHALL HAVE THE EXCLUSIVE AUTHORITY TO DETERMINE THE MINIMUM QUALIFICATIONS FOR FACULTY WHO CAN TEACH IN HIGHER EDUCATION INSTITUTIONS;

[e] D) *monitor and evaluate the performance of programs and institutions of higher learning, BOTH PRIVATE AND PUBLIC, INCLUDING LOCALLY FUNDED COLLEGES AND UNIVERSITIES, for appropriate incentives as well as the imposition of sanctions such as, but not limited to, [diminution or] withdrawal of subsidy, [recommendation on the] downgrading [or] AND withdrawal [of accreditation, program termination] GOVERNMENT RECOGNITION AND AUTHORITY TO OPERATE PROGRAMS or school closure[.]; PROVIDED, THAT, THE COMMISSION SHALL HAVE THE EXCLUSIVE/SOLE AUTHORITY TO CONDUCT VISITATIONS TO HIGHER EDUCATION INSTITUTIONS (HEIS) FOR ISSUANCE OF GOVERNMENT AUTHORITY TO OPERATE PROGRAMS OR COURSES FOR MONITORING AND EVALUATION PURPOSES;*

[f] E) *identify, support and develop potential centers of excellence in program areas needed for the development of world-class scholarship, nation building and national development;*

[g] F) *[recommend to] ALLOCATE AND SUBDIVIDE THE TOTAL BUDGET OF STATE UNIVERSITIES AND COLLEGES IN*

COORDINATION WITH the Department of Budget and Management [the budgets of public institutions of higher learning as well as] AND RECOMMEND general guidelines for the use of their income, BASED ON A NORMATIVE ANE MERIT-BASED FUNDING FORMULA WHICH SHALL BE FORMULATED BY THE COMMISSION: *PROVIDED, ALSO,* THAT THE USE OF THE INTERNAL AND EXTERNAL SOURCES OF DEVELOPMENT FINANCING SHALL BE ALLOCATED ON MERIT AND EQUITY GROUNDS ACROSS REGIONS AND PROVINCES, PROGRAMS AND INSTITUTIONS;

- [h] G) rationalize programs and institutions of higher learning BASED ON LOCAL AND REGIONAL DEVELOPMENT IMPERATIVES AND set standards, policies and guidelines for the creation of new ones as well as the conversion or elevation of schools to institutions of higher learning, subject to budgetary limitations and GEOGRAPHIC DISTRIBUTION OF HIGHER EDUCATION INSTITUTIONS and the LIMITATION ON THE number of institutions of higher learning in the province or region where creation, conversion or elevation is sought to be made;
- [i] H) develop criteria for allocating additional resources such as research and program development grants, scholarships, and other similar programs: *Provided,* That these shall not detract from the fiscal autonomy already enjoyed by colleges and universities;
- [j] I) direct or redirect purposive research by institutions of higher learning to meet the needs of agro-industrialization and development AS WELL AS OTHER STRATEGIC AREAS OF GLOBAL IMPORTANCE;

- J) AUTHORIZE THE PERIODIC REVIEW OF THE ORGANIZATION, FUNCTIONS, MISSION AND STRUCTURE OF THE ENTIRE COMMISSION IN THE LIGHT OF THE COUNTRY'S SOCIAL, ECONOMIC AND TECHNOLOGICAL CHANGES AND PROPOSE THE NECESSARY INTERVENTIONS INCLUDING APPROPRIATE LEGISLATIONS;
- k) devise and implement resource development schemes;
- l) administer the Higher Education Development TRUST Fund, as described in Section 10 hereunder, which will promote the purposes of higher education;
- m) review the charters of institutions of higher learning and state universities and colleges including the chairmanship and membership of their governing bodies and recommend appropriate measures as basis of necessary action;
- N) CONDUCT MEDIATION, CONCILIATION, SETTLEMENT MEETINGS OR CONFERENCES, EXERCISE APPELLATE JURISDICTION BETWEEN HIGHER EDUCATION INSTITUTIONS AND STUDENTS, TEACHERS, AND STAFF INVOLVING ACADEMIC ISSUES ONLY, IN ACCORDANCE WITH RULES TO BE ISSUED BY THE COMMISSION FOR THE PURPOSE;
- [n] O) promulgate such rules and regulations and exercise such other powers and functions as may be necessary to carry out effectively the purpose and objective of this Act; and
- [o] P) perform such other functions as may be necessary for its effective operations and for the continued enhancement, growth or development of higher education.

SEC. 10. Section 10 of the same Act is hereby amended to read as follows:

“SEC. [9] 11. *The Secretariat.* – The Commission shall organize a TECHNICAL secretariat which shall be headed by [an executive officer] A DIRECTOR-GENERAL, subject to the national compensation and position classification plan. It shall fix the secretariat’s [staffing pattern, determine the duties, qualifications, responsibilities and functions, as well as the compensation scheme for the positions to be created upon the recommendation of the executive officer] STRUCTURE BASED ON AN ACCEPTABLE ORGANIZATIONAL EVALUATION STUDY THAT WILL RECOMMEND SUITABLE QUALIFICATION, RESPONSIBILITIES AND FUNCTIONS AS WELL AS THE APPROPRIATE COMPENSATION SCHEME THAT BEFITS AN ORGANIZATION OF SUCH HIGHLY TECHNICAL AND DEVELOPMENTAL MANDATE. It shall also prepare and approve its budget.

THE COMMISSION SHALL HAVE THE AUTHORITY TO APPOINT ITS OWN PERSONNEL AND DETERMINE THE QUALIFICATION STANDARDS REQUIRED BY THE MANAGEMENT, COORDINATION AND PLANNING FUNCTIONS OF THE COMMISSION TOWARDS THE DEVELOPMENT OF WORLD-CLASS HIGHER EDUCATION SUB-SYSTEM.

THE COMMISSION SHALL TAKE STEPS TO ATTRACT THE MOST QUALIFIED AND COMPETENT STAFF IN ALL GRADES AND LEVELS AND SHALL INSTITUTE NECESSARY AND FLEXIBLE INTERNAL RULES AND PROCEDURES TOWARDS HIRING AND REMOVAL OF PERSONNEL IN THE INTEREST OF EFFICIENCY, ECONOMY, DISCIPLINE AND BETTER PERFORMANCE STANDARDS.”

SEC. 11. A new Section 12 is hereby inserted to the same Act, as follows:

"SEC. 12. *THE EXECUTIVE OFFICERS.* – THE COMMISSION SECRETARIAT SHALL BE HEADED BY A DIRECTOR-GENERAL, ASSISTED BY TWO DEPUTY DIRECTOR GENERALS WHO WILL ALTERNATELY SERVE AS SECRETARY TO THE BOARD OF COMMISSIONERS AND WHOSE OTHER RESPONSIBILITIES SHALL BE BASED ON THE RESPONSIVE STRUCTURE AS RECOMMENDED BY THE ORGANIZATIONAL EVALUATION. THE DIRECTOR GENERAL SHALL ACT AS THE CHIEF OPERATING AND EXECUTIVE OFFICER OF THE COMMISSION AND SHALL BE AN EX-OFFICIO NON-VOTING MEMBER OF THE BOARD OF COMMISSIONERS. AS SUCH, THE DIRECTOR-GENERAL, WITH THE RANK OF UNDERSECRETARY, SHOULD HAVE A WELL-BALANCED EXPERIENCE AND EXPOSURE IN ORGANIZATIONAL AND FINANCIAL MANAGEMENT IN BOTH PUBLIC AND PRIVATE SETTING AND HUMAN RESOURCES DEVELOPMENT, AMONG OTHERS.

AS DIRECTOR-GENERAL HE SHALL:

- (1) EXECUTE AND IMPLEMENT POLICIES, STANDARDS, RULES AND REGULATIONS PROMULGATED BY THE COMMISSION;
- (2) SUPERVISE AND COORDINATE THE PROGRAMS OF THE CENTRAL, REGIONAL, AND OTHER OFFICES OF THE COMMISSION AND RENDER PERIODIC REPORTS ON THEIR OPERATIONS;
- (3) DIRECT AND SUPERVISE THE INTERNAL ADMINISTRATION AND DAY TO DAY OPERATIONS OF THE COMMISSION;

- (4) SIGN/ISSUE APPOINTMENTS TO SUBORDINATE OFFICIALS AND EMPLOYEES OF THE COMMISSION IN ACCORDANCE WITH LAW;
- (5) DELEGATE AUTHORITY FOR THE PERFORMANCE OF ANY FUNCTION TO OFFICIALS AND EMPLOYEES OF THE COMMISSION;
- (4) SUBJECT TO THE CONCURRENCE OF THE COMMISSION, MAKE TEMPORARY ASSIGNMENTS, ROTATE, AND TRANSFER PERSONNEL IN ACCORDANCE WITH PERTINENT LAWS;
- (5) SUBMIT AN ANNUAL BUDGET OF THE SECRETARIAT AND COMPOSITE HIGHER EDUCATION BUDGET TO THE COMMISSION FOR APPROVAL;
- (6) REPRESENT THE COMMISSION ON HIGHER EDUCATION IN INTERNATIONAL ORGANIZATIONS AND MEETINGS WHICH EXCLUSIVELY DEAL WITH HIGHER EDUCATION;
AND
- (7) PERFORM SUCH OTHER FUNCTIONS AS MAY BE AUTHORIZED BY THE COMMISSION.

SEC. 12. Section 10 of the same Act is hereby amended to read as follows:

“SEC. [10] 13. *The Higher Education Development TRUST Fund.* -A Higher Education Development TRUST Fund, hereinafter referred to as the TRUST Fund, is hereby established exclusively for the strengthening of higher education in the entire country. FOR THIS PURPOSE, THE COMMISSION SHALL EXERCISE COMPLETE AUTONOMY OVER THE MANAGEMENT AND USE OF THE FUND.

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SEC. 13. Section 11 of the same Act is hereby amended to read as follows:

"SEC. [11] 14. *Management and Administration of the Higher Education Development TRUST Fund.* - The Fund shall be administered by the Commission. For sound, PROFITABLE and judicious management of the Fund, the Commission shall appoint a reputable government financial institution as portfolio manager of the Fund, subject to the following conditions:

As administrator of the Fund, the Commission shall prepare the necessary guidelines for its use, subject to the following conditions:

- a) No part of the seed capital of the Fund, including earnings thereof, shall be used to underwrite overhead expenses for administration;
- b) Unless otherwise stipulated by the private donor, only earnings of private contributions shall be used for administrative expenses;
- c) The Commission shall appoint and organize a separate staff, independent administratively and budgetarily separate from the Commission Secretariat; and
- d) The Fund shall be utilized equitably according to regions, HIGHER EDUCATION INSTITUTIONS and programs. IN NO CASE SHALL THE FUND BE UTILIZED FOR PURPOSES BENEFITING INDIVIDUALS OTHER THAN THOSE EARMARKED FOR THE DEVELOPMENTAL PURPOSES.

SEC. 14. Section 12 of the same Act is hereby amended to read as follows:

"SEC. [12] 15. *The Technical Panels.* - The Commission shall reconstitute and/or organize technical panels for different

disciplines/program areas. They shall assist the Commission in setting standards, PROGRAM DEVELOPMENT and in program and institution monitoring and evaluation. The technical panels shall be composed of senior specialists, PROFESSIONAL PRACTITIONERS or academicians to be appointed by the Commission. THEY SHALL BE DIRECTLY UNDER THE OFFICE OF THE DIRECTOR-GENERAL

SEC. 15. Section 13 of the same Act is hereby amended to read as follows:

“SEC. [13] 16. *Guarantee of Academic Freedom.* - Nothing in this Act shall be construed as limiting the academic freedom of universities and colleges. In particular, no abridgment of curricular freedom of the individual educational institutions by the Commission shall be made except for: (a) minimum unit requirements for specific academic programs, (b) general education distribution requirements as may be determined by the Commission; and (c) specific professional subjects as may be stipulated by the various licensing entities. No academic or curricular restriction shall be made upon private educational institutions, which are not required for chartered state colleges and universities: PROVIDED, HOWEVER, THAT PROGRAM OFFERINGS OF STATE UNIVERSITIES AND COLLEGES (SUCS) SHALL FOLLOW AND BE APPROVED IN ACCORDANCE WITH THE MINIMUM STANDARDS AND REQUIREMENTS PRESCRIBED BY THE COMMISSION.”

SEC. 16. Section 14 of the same Act is hereby amended to read as follows:

“SEC. [14] 17 . *Accreditation.* – The Commission shall provide incentives to institutions of higher learning, public and

private, whose programs are accredited or whose needs are for accreditation purposes. THE COMMISSION SHALL LIKEWISE FORMULATE GUIDELINES FOR GRANTS FROM THE HEDF AS INCENTIVES FOR ACCREDITATION.

SEC. 17. Section 15 of the same Act is hereby amended to read as follows:

“SEC. [15] 18. *Tax Exemptions.* - Any donation, contribution, bequest and grant which may be made to the Commission shall constitute as allowable deduction from the income of the donor for income tax purposes and shall be exempt from donor's tax, subject to such conditions as provided under the National Internal Revenue Code, as amended, AND CONSISTENT WITH THE NATIONAL PRIORITITES PLAN IN COORDINATION WITH THE NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY.”

SEC. 18. *Repealing Clause.* All laws, republic acts, presidential decrees, executive orders, rules and regulations of parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 19. *Separability Clause.* If any part or provision of this Act shall be declared unconstitutional or invalid, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 20. *Effectivity.* - This Act shall take effect after fifteen (15) days from publication in a newspaper of general circulation.

Approved,