



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email, unifastsecretariat@ched.gov.ph



Republic of the Philippines
**UNIFIED STUDENT FINANCIAL ASSISTANCE SYSTEM FOR
TERTIARY EDUCATION**

Memorandum Circular No. 2018-02

**TO: COMMISSION ON HIGHER EDUCATION (CHED)
DEPARTMENT OF BUDGET AND MANAGEMENT (DBM)
PHILIPPINE STATE UNIVERSITIES AND COLLEGES (SUCs)
CHED-RECOGNIZED LOCAL UNIVERSITIES AND COLLEGES (LUCs)**

FROM: UniFAST Governing Board

**SUBJECT: GUIDELINES ON FREE HIGHER EDUCATION (HE) IN PHILIPPINE STATE
UNIVERSITIES AND COLLEGES (SUCs) AND CHED-RECOGNIZED LOCAL
UNIVERSITIES AND COLLEGES (LUCs)**

RULE 1

GENERAL PROVISIONS

1.0 RATIONALE

Pursuant to the authority vested in the Unified Student Financial Assistance System for Tertiary Education (UniFAST) Governing Board under RA 10687, the following guidelines are hereby formulated for the effective implementation of the Free Higher Education program in RA 10931 known as the Universal Access to Quality Tertiary Education. The specific provisions relevant to the Free Higher Education implementation are as follows: a) (Section 4) Free Higher Education in SUCs and LUCs; b) (Section 6a) Exceptions to Free Tertiary Education; c) (Section 9) Requirements to SUCs and LUCs; d) (Section 10) Quality Standards for SUC and LUC budget; e) (Section 11) Prohibited Act; f) (Section 12) Penalties (directly related to Section 11 previously mentioned); g) (Section 14) Reporting Requirements and h) (Section 15) Appropriations

These guidelines for Free Higher Education shall supplement the provisions of the Implementing Rules and Regulations of RA 10931 namely Rule II on Free Higher Education in SUCs and LUCs; Rule VI Section 38 on Quality Standards; Rule IX Sections 51-55, 58 on Transitory Provisions and Rule X on Prohibited Acts.

In reference to Article II, Section 13 of the 1987 Constitution which recognizes the vital role of the youth in nation-building, and the express provision in Article II, Section 15(f) of RA 10687 or the UniFAST Act of 2015 on the rights and obligations of student beneficiaries benefitting from state subsidy, SUCs and LUCs shall formulate and implement a Return Service System for students benefitting from the free higher education provision of this Act, as part of their admission and retention policies. Such guidelines shall be approved by their respective governing boards and the CHED.



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email: unifastsecretariat@ched.gov.ph



2.0 PROGRAM TITLE

The program shall be known as the **Free Higher Education** program which is also referred as **"Free HE"**.

3.0 COVERAGE

3.1 Eligible Students

As set forth in Section 4 of the IRR of R.A. 10931, the program shall support the cost of tertiary education or any portion thereof for all Filipino students who are either currently enrolled at the time of the effectivity of the Act or shall enroll at any time thereafter, in courses leading to a bachelor's degree in any SUC and CHED-recognized LUC shall be exempt from paying tuition and other school fees for units enrolled in, Provided the following conditions are met:

- (a) for students enrolling in higher education programs, that they qualify under the existing admission and retention requirements of the SUCs or CHED-recognized LUCs, or they qualify under any other future qualification policies that the UniFAST Board may mandate; and
- (b) that the students are enrolled in SUCs and CHED-recognized LUCs

3.2 Exceptions to Free HE

As set forth in Section 6 of the IRR of R.A. 10931, the following students are ineligible to avail of Free Higher Education:

- (a) Students who have already obtained a bachelor's degree or comparable undergraduate degree from any public or private HEI;
- (b) Students who fail to comply with the admission and / or retention policies of the SUCs or LUCs provided that the failure to comply with the SUC or LUC's retention policies results in the student's permanent disqualification from enrolling in any SUC or LUC;
- (c) Students who fail to complete their bachelor's degree or comparable undergraduate degree within a year after the period prescribed in their program;
 - i. Provided, that in the case of shifters, any semester wherein the student has availed of the benefits of free higher education will be subtracted from the expected duration of the current program in which the student is enrolled;
 - ii. Provided further, that in the case of transferees, any semester wherein the student has availed of any form of government-funded StuFAP shall be subtracted from the expected duration of the current program in which the student is enrolled;
 - iii. Provided further, that in the case of returning students and other students who went on a leave of absence (LOAs), the determination and computation of their free higher education benefit shall be without prejudice to the most expedient way of completing their studies;
 - iv. Provided finally, that the SUCs and LUCs shall decide on the cases that merit the availment of free higher education; and

[Handwritten signature]



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg. Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



Students who are not eligible to avail of the Free Higher Education provision shall be charged tuition and other school fees as determined by the Governing Boards of the SUCs and CHED-recognized LUCs. This provision shall also apply to students who will voluntarily opt out from the free higher education provision but will still enroll and correspondingly pay the tuition and other school fees in their respective SUC / CHED-recognized LUC;.

4.0 DEFINITION OF TERMS

Terms as defined in the Implementing Rules and Regulations of RA 10931 are to be used for this specific guidelines in the implementation of Free Higher Education.

5.0 PROVIDERS

All SUCs and LUCs which are part of the Registry of Institutions and Programs are eligible to provide the Free Higher Education provision. In the case of LUCs, only those recognized by the CHED on or before the cut-off schedule for each fiscal year shall be eligible. The annual cut-off schedule shall be determined by the CHED.

RULE II

FREE HIGHER EDUCATION IN SUCs and CHED-Recognized LUCs

ENTITLEMENT TO FREE HE

1.0 Benefits. As per Section 7 (Benefits) of the IRR of RA 10931. All students availing themselves of the free higher education provision shall be entitled to:

(a) free tuition for all courses / subjects / classes enrolled in during a particular semester / term, as part of the curriculum and are essential to obtaining a degree. This includes approved petitioned classes, but not non-credit tutorial or review classes within the semester, nor review and enhancement classes offered by the HEI;

(b) Free miscellaneous, other school fees, and similar or related fees, which include:

- (1) Admission fees
- (2) Athletic fees
- (3) Computer fees
- (4) Cultural fees
- (5) Development fees
- (6) Entrance fees
- (7) Guidance fees
- (8) Handbook fees
- (9) Laboratory fees
- (10) Library fees
- (11) Medical and Dental fees
- (12) Registration fees
- (13) School ID fees
- (14) Other similar and related fees

Provided that only the first copies / printouts of school ID, library ID, and student handbook shall be free, and any subsequent requests by the student can be charged the usual fees.

Handwritten initials or signature.



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email, unifastsecretariat@ched.gov.ph



All SUCs, LUCs and TVET institutions shall formulate and implement affirmative action programs to enhance access of disadvantaged students, such as Lumads, Muslims and other indigenous peoples, persons with disabilities; students from public schools; and students from depressed areas. These affirmative action programs shall be approved by the respective governing boards and submitted to CHED within 1 year after the approval of the IRR.

2.0 Enrolment of Students in SUCs / CHED-recognized LUCs

In general, existing enrollment procedures of SUCs shall be observed. However, SUCs / CHED-recognized LUCs should inform their students at the earliest possible time about the voluntary opt out mechanism and the voluntary contribution mechanism.

3.0 Enrollment capacity

The enrollment capacity of SUCs and CHED-recognized LUCs per Section 38 (d2) of the IRR of RA 10931 refers to the following:

"As provided for in RA 8292, the Governing Board of the SUCs shall populate admission policies in their respective universities. The number of freshmen to be accepted every year shall be based on enrolment capacity on each university based on faculty-student ratio, available classroom and available faculty to ensure the quality of education. The approved policies shall be approved by their respective colleagues and submitted to CHED."

The same policy shall also apply to CHED-recognized LUCs. The quality standards mandated by CHED will serve as guide to SUCs and CHED-recognized LUCs in ensuring quality education at their respective levels.

4.0 Affirmative action programs

Section 7 of the IRR of R.A. 10931 will be expounded further with a set of separate guidelines for proper implementation in SUCs and CHED-recognized LUCs.

5.0 Opt-Out Mechanism.

Section 8 of the IRR of R.A. 10931 provides the details pertaining to the voluntary opt-out mechanism which will be decided upon by the students during the enrollment period for each semester / term and shall be considered final and irrevocable for that particular semester / term.

6.0 Student Voluntary Contribution Mechanism.

Section 9 of the IRR of R.A. 10931 provides the details pertaining to the voluntary contribution mechanism.

7.0 Reporting system for beneficiaries of Free Higher Education

As required in Section 11 of the IRR of RA 10931, SUCs and CHED-recognized LUCs should periodically report important information about the beneficiaries of Free Higher Education.



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



7.1 Report about the List of Eligible Student Beneficiaries

- 7.1.1 The generation of the official list of eligible Free HE student- beneficiaries shall be consolidated by the UniFAST. This list shall henceforth be referred to as the Free HE list.
- 7.1.2 The list shall be developed based on the certification provided by SUCs and CHED-recognized LUCs when they correspondingly submit the specific billing details as discussed in Rule III Section 2.3.1 of these guidelines.
- 7.1.3 The list shall consist of the following information :
- (1) List of SUCs (main, external and satellite campuses) and CHED-recognized LUCs and their corresponding programs;
 - (2) List of complete names, degree program pursued, year level, contact information
- 7.1.4 As per Section 11 of the IRR of RA 10931, the list shall be updated by the SUCs and CHED- recognized LUCs, 5 days after enrollment for every semester;
- 7.1.5 Mechanism should be set in place by SUCs and CHED-recognized LUCs in order to validate that the students do not fall under Rule I Section 3.2 Exceptions from Free HE as stated in these guidelines.

RULE III

FINANCIAL MANAGEMENT

1.0 Fund Source, Release and Disbursement

To supplement the provision of Section 10 of the IRR of R.A. 10931 regarding funding requirement, the following shall be complied with:

- 1.1 For the first year of implementation of the Free Higher Education, SUC / CHED-recognized LUC Presidents shall provide a Certification of current tuition fee per unit and other school fees as allowed in R.A. 10931 which will have to be submitted to the UniFAST Secretariat on or before the scheduled enrollment period of a particular SUC / CHED-recognized LUC.

From the current academic year 2017-2018 to academic year 2021 – 2022 or a five year period, no increase in tuition fee and other school fees moratorium has been approved by the UniFAST Governing Board to maintain the current rates for tuition and other school fees.

- 1.2 Upon consideration of the existing carrying capacity of the Higher Education Institutions, the budget allocation for each SUC / CHED-recognized LUC (F_i) shall be based on a tuition and other school fees formula duly approved by the UniFAST Governing Board (please refer to the formula below for the computation of the budget allocation for a specific SUC or CHED-recognized LUC):



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



$$F_i = \sum_p^P \sum_j^J \left(\sum_c^C (u_{j,p,c} * t_{j,p,c}) + \sum_m^M osf_{j,p,m} \right)$$

Where:

u - refers to the number of units

t- refers to tuition

osf - refers to other school fees

j - refers to the number of estimated qualified enrolled students

c- refers to the course of estimated qualified enrolled students

m - refers to type of other school fees

p- refers to program or discipline

Consequently, the budget allocation will serve as a budget ceiling vis a vis the preferred disbursement mechanism opted by a specific SUC or CHED-recognized LUC. The UniFAST Secretariat through its Tertiary Education Financing unit will provide the computed budget ceiling with supporting solution set (as prepared by the Policy and Planning unit) to all SUCs and CHED-recognized LUCs for validation and confirmation. For easy reference, please refer to Annex A for a sample computation of the tuition and other school fees' formula.

There are two options available for the disbursement mechanism, namely:

- 1) Fund transfer with the initial 50 percent fund transfer will be based on the computed budget ceiling(subject to liquidation) which will be recommended by the CHED-UniFAST for SUCs and CHED-recognized LUCs as stipulated in Section 53 Rule IX (Disbursement of Funds for Free Higher Education and Free TVET) of the Implementing Rules and Regulations of RA 10931. Through the CHED-AFMS, the fund transfer will serve as partial payment of their tuition and other school fees subsidy commencing on academic year 2018 – 2019. The fund transfer is intended to serve as mobilization fund to cover expenses incurred by SUCs as CHED-recognized LUCs as specified in Section 7 of this IRR. Full payment of the fund transfer will be based on actual qualified enrolled students in SUCs and CHED-recognized LUCs
 - 2) Billing system wherein the tuition and other school fees of actual qualified enrolled students in SUCs / CHED-recognized LUCs will be billed to CHED – UniFAST for settlement. Due diligence procedures will be executed to ensure that the Consolidated Free Higher Education statement, consolidated billing details and Certification from SUCs' and CHED-recognized LUCs' Registrars will tie up with the pdf copies of the CORs for each semester in an academic year.
- 1.3 The budget allocation for each SUC / CHED-recognized LUC shall serve as the budget ceiling for the academic year that SUC / CHED-recognized LUC will receive based on their preferred disbursement mechanism during the AY 2018-2019. A tripartite Memorandum of Agreement between the UniFAST, CHED and the concerned SUC / CHED-recognized LUC shall be signed by their respective authorized heads so as to cover the implementation of the Free Higher Education as provided in R.A. 10931.

Page 6



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unitassecretariat@ched.gov.ph



2.0 Disbursement Mechanisms

2.1 Transfer of Funds to Implementing Agencies (SUCs / CHED-recognized LUCs)

General Guidelines

Fund transfers should be properly taken up in the books of both agencies cited only for the purpose intended, and properly accounted and reported (COA Circular No. 94-013 dated December 13, 1994).

Documentary Requirements

2.1.1 Fund Transfer

Source Agency (in this case the Commission on Higher Education) to provide the following documents to the Implementing Agency (in this case, the SUCs and CHED-recognized LUCs):

- Copy of the MOA
- For Local Government Units (LGUs), as clarified under COA Memorandum No. 2010-014 dated April 22, 2010, authorization by local Sanggunian for the Local Chief Executive to enter into contract in case of the following:
 - In the case of a reenacted budget:
 - For new contract entered into by the local chief executive for contractual obligations included in the previous year's annual and supplemental budget.
 - In the case of the regularly enacted budget
 - For purchase of goods and services which are neither specified nor encompassed within the regular personnel services and maintenance operating expenses.
- Certification on the current academic year's Tuition and Other School Fees as mentioned in Rule III, Section 1.1.

2.1.2 Implementation and Liquidation of Fund Transfers

Implementing Agency (in this case, the SUCs / CHED-recognized LUCs):

- Fund utilization report
- Report of checks issued
- Report of Disbursements
- Necessary supporting documents depending on the nature of the transactions. Note: Please refer to Rule III, Section 2.2.2.
- Copy of the Memorandum of Agreement
- Copy of the Official Receipt (OR) upon receipt of funds transferred to the Source Agency (the Commission on Higher Education)



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



- Copy of Official Receipt (OR) issued by the Source Agency evidencing refund of excess fund transfer, for the final settlement of the budget appropriation vis a vis fund transfers based on actual qualified enrolled students' tuition and other school fees for a specific semester / term of the academic year.

2.1.2.1 Source Agency (in this case, the Commission on Higher Education):

After the SUCs / CHED-recognized LUCs received the initial 50 percent fund transfer based on the budget allocation computed as budget ceiling of the SUC and CHED-recognized LUC, Liquidation reports as Reconciliation of Budget allocation vis a vis SUC's / CHED-recognized LUC's TOSFs based on actual qualified enrolled students / applicants (as the case may be) will have to be submitted prior or 30 days before the end of each semester of the a specific academic year.

2.1.2.2 The additional documentary requirements for the liquidation of fund transfers and the billing documents for the billing system are basically the same as discussed in Rule II Section 2.1.3 of this guidelines for Free Higher Education.

2.1.2.3 SUCs and CHED-recognized LUCs are allowed to send for the consolidated Free HE report per academic year in two tranches only. Proper fund transfer disposition should be provided in the Free HE Statement for proper accounting of fund transfer received. For those HEIs who opted for the billing system, submission of billings will be in two tranches per semester in an academic year.

2.1.2.4 The specific procedures in checking the Free HE liquidation documents will be prepared by the Tertiary Education Financing unit of the UniFAST Secretariat. These checking procedures will ensure that only qualified enrolled students are included in the Consolidated Free HE details and the corresponding disclosure as to voluntary opt out and / or voluntary contribution has been provided by the SUCs / CHED-recognized LUCs accordingly.

2.1.2.5 Reconciliation between the fifty percent initial fund transfer versus Free HE consolidated statement based on actual qualified enrolled students listed on a per course program basis and per campus basis will be done to establish excess or deficiency of budget allocation.

- a) If the difference in the above-mentioned comparison between the initial fund transfer and the actual TOSFs for Free HE resulted to excess fund transfer, then the computed difference will be deducted from the next 50 percent of the budget allocation for the TOSF subsidy.
- b) If the difference in the above-mentioned comparison between the initial fund transfer and the actual Free HE consolidated report resulted to deficiency in fund transfer, UniFAST Secretariat will vet for the difference to be paid accordingly. Consequently, the next fifty percent (50%) of the Free HE subsidy will be adjusted.



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



2.1.2.6 For the fund transfer of the second 50 percent of the SUCs' /CHED-recognized LUCs' budget allocation, the procedures discussed in Sections 2.1.2 of Rule III herein will have to be consequently done by the SUCs / CHED-recognized LUCs.

2.1.3 The excess funds received by the SUC / CHED-recognized LUC during the first semester of AY 2018-2019 will have to be forwarded to the next reconciliation of records so as to reflect the movement and disposition of funds. Any excess funds after all the fund transfers done during the academic year from the CHED to SUCs or CHED-recognized LUCs has been properly reconciled will have to be reverted back to CHED-AFMS. An Official Receipt (OR) will be issued by the CHED Cash Section of the AFMS to signify receipt of the excess cash from the Free HE fund transfers.

2.2.1 Billing System

For SUCs and CHED-recognized LUCs who opted for the billing system need not submit any fund utilization report, report on checks issued and report of disbursements but just generate Free Higher Education billings and all other corresponding documentary requirements on Rule II Section 2.2.2 (a to d for the printout of reports to be submitted) and Rule II Section 2.2.2 (a to f for the electronic copies to be sent via e-mail and / or submitted together with the printed-out copies of the common documentations for fund transfers and billing system.

2.2.2 Common documentations for fund transfers and billing system

The additional documentations will have to include the following:

- a) Consolidated Free HE Form 1 - Consolidated statement(from the main and all external campuses) on the total value of Free HE granted to actual qualified enrolled students duly prepared by the SUC / CHED-recognized LUC Accountant and approved by the SUC / CHED-recognized LUC President (please refer to the attached Annex B – template of Consolidated Report of Free HE);
- b) Consolidated Free HE Form 2 – The Consolidated Free HE Details report (please refer to the attached Annex C – Consolidated Free HE details template with breakdown of tuition fees and the 13 other school fees) – Completely filled out with page number and with sub-total per campus, entries are alphabetically arranged per campus; This form should be duly certified by the SUC / CHED-recognized LUC Registrar and approved by the SUC / CHED-recognized LUC President or the President's designated authorized representative, for liquidation purposes, to be submitted within the appropriate period using the format prescribed by the UniFAST Secretariat.
- c) College/University Registrar's Certification (with official dry seal) stating the number of officially enrolled students and the number of students who qualified to the Free HE and certifying the correctness and completeness of the details [Please refer to the attached suggested template (Annex D)]



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



and corresponding matrix summarizing the breakdown of enrolled and / or qualified students being certified].

- d) Master List of Applicants duly certified by the SUC / CHED-recognized LUC Admission Officer (sequentially arranged based on pre-numbered series) as a validation documents to support the Consolidated Free HE Billing Details Part II – Segment B on Admission Fees and Entrance Fees.

Note: Print out of the Free HE documents (Forms 1 and 2), Certification of University / College Registrar for number of qualified enrolled students, Certification for the official master list of applicants by the University / College Admission Officer should be filed in a green data folder, properly labelled and should be submitted, the details as follows:

ATTY. CARMELITA YADAO-SISON MNSA, PhD
OIC Executive Director IV
UniFAST Secretariat
c/o CHED Central Records Section
(HEDC Building, UP Campus, Diliman, Quezon City).

Correspondingly, electronic copies of the following should be submitted to the designated e-mail address of UniFAST Secretariat, as follows:

- a) The Free HE Consolidated Statement (Form 1) should be duly certified by the SUC / CHED-recognized Accountant and President or the President's designated authorized representative, for liquidation purposes, to be submitted within the appropriate period using the format prescribed by UniFAST Secretariat
- b) MS Excel file of the Consolidated Free HE Form 2 – Free HE Details;
- c) Pdf copy of Certificates of Registration (COR) (with subjects taken and breakdown of fees) of all students listed in the Free HE Details and as certified by College/University Registrar. (Note: Depending on the capacity of the scanner equipment being used, it is suggested that one pdf file per student, alphabetically arranged and sequentially arranged based on the SUC's / CHED-recognized LUC's);
- d) Pdf copy of Pre-Number Application Forms (with 1 x 1 Identification photo and Admission Exam result indicated therein) as a validation documents to support the Consolidated Free HE Billing Details Part II – Segment B on Admission Fees and Entrance Fees.
- e) MS Excel file of all data elements contained in the CORs (in database format, no spaces and other formatting) for 1st Semester or 2nd Semester (whichever is applicable in a particular submission) of AY 2018 – 2019 (please refer to Annex E for the attached suggested template)
- f) Copy of OR issued by the Source Agency evidencing refund of unexpended / unutilized balance of fund transfer, for the final settlement of the budget appropriation vis a vis fund transfers based on actual qualified enrolled



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



students' tuition and other school fees for a specific semester / term of the academic year.

NOTE: Aside from sending these files via e-mail and to ensure that the electronic copies of the above-mentioned files, SUCs and CHED-recognized LUCs are requested to send these files in a USB flash drive and correspondingly submit it together with the hard-copy of the SUC's / CHED-recognized LUC's billing documents in compliance to audit rules and regulations.

2.3 Payments to SUCs and CHED-recognized LUCs will be done during the 3rd and 4th quarters of the year. Regardless of the academic year adapted by a specific SUC or CHED-recognized LUC (Note: Scheme 1 - Academic Year starts in June of the current year and ends in May of the following year or Scheme 2 – Academic year starts in August of the current year and ends in July of the following year), pre-assessment of possible number of qualified enrollees in the summer classes will have to be done to ensure that Free HE has been applied by the SUC / CHED-recognized LUC accordingly.

2.4 The accounting journal entries across the various relevant transactions, such as but not limited to fund transfers and liquidations are provided in Annex F.

3.0 Annual Work and Financial Plan and Monthly Cash Programming

The release of a Notice of Cash Allocation (NCA) to CHED shall be subject to the submission of a special budget request supported by the following:

- (a) Physical Plan
- (b) Financial Plan
- (c) Monthly Disbursement Program

4.0 Fund Utilization

4.1 Utilization of the fund shall be subject to the usual budgeting, accounting and auditing rules and regulations.

4.2 UniFAST's unreleased appropriations and unobligated allotments under the Universal Access for Quality Tertiary Education budget in the implementation of the Free HE shall be reverted to the General Fund at the end of the validity of appropriations and shall be available for expenditure only upon subsequent legislative enactment.

RULE IV

PROGRAM SUPPORT MECHANISM

1.0 **Duties and Responsibilities.** Pursuant to Section of RA 10931, specific government agencies and higher education institutions shall perform the duties and responsibilities, including but not limited to the following:



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



1.1 UniFAST Governing Board

- (a) Deliberate and approve after due consultation with specific sectors the policies, implementing rules and regulations, and guidelines pertinent to the Free Higher Education provision of RA 10931.
- (b) In coordination with the appropriate stakeholders, conduct every three years a review and evaluation of the guidelines of the Free Higher Education.
- (c) In cases of violation of any of the provisions of the Guidelines for Free Higher Education, Guidelines for Tertiary Education Subsidy and Guidelines for Student Loans or disputes on the case(s) will be elevated to the UniFAST Governing Board for evaluation and appropriate action.
- (d) Deliberate and present issues and concerns related to the efficient and effective implementation of the Free Higher Education program that will require congressional action.

1.2 UniFAST Secretariat

1.2.1 Central Office

- (a) Disseminate information to all SUCs and CHED-recognized LUCs on the implementation of the Free Higher Education program;
- (b) Process and request pertinent disbursement documents related to the implementation of the Free Higher Education following the applicable accounting and auditing rules for the payment and settlement of Tuition and Other School Fees (TOSF) subsidy. Specifically, check the completeness, consistency and accuracy of Free HE consolidated report and Free HE details vs the SUC / CHED-recognized LUC Registrar's Certification of Qualified Enrolled Students to the Free Higher Education provision of RA 10931: Certification of Applicants to their university or college; submitted pdf files of students' Certificate of Registration generated during the enrollment period; and submitted pdf files of duly accomplished pre-numbered application forms for the applicants of their university or college as well as electronic copies of the above-mentioned documents and other pertinent documents;
- (c) Monitor the implementation of the Free HE program together with the Philippine Association of State Universities and Colleges (PASUC) and the Association of Local Colleges and Universities (ALCU);
- (d) Together with the SUCs and CHED-recognized LUCs, develop a system, by securing the services of career counsellors, with approval of the UniFAST Governing Board, which shall provide assistance and guidance to the qualified enrolled students in their career choices;
- (e) Provide timely reminders to the SUCs and CHED-recognized LUCs about the Free Higher Education program implementation rules and regulations and specific guidelines to ensure compliance.



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



- (f) Accept complaints of alleged violations of SUCs / CHED-recognized LUCs in the implementation of Free Higher Education and elevate the same to the UniFAST Governing Board for determination of appropriate action.

1.2.2 Regional Coordinators at CHED – Regional Offices

To ensure that policies and procedures regarding the implementation of RA 10931 known as the Universal Access to Quality Tertiary Education mainstreamed to stakeholders, the UniFAST Regional Coordinators assigned at the CHED Regional Offices and provided with UniFAST budget for administrative compensation and operational costs to perform the following tasks:

- (a) Assist the SUCs and CHED-recognized LUCs within the region in providing orientation / briefing to the qualified enrolled students in reference to the policies, standards and guidelines of the Free Higher Education program;
- (b) Monitor the SUCs and CHED-recognized LUCs on the implementation of the Free Higher Education program;
- (c) Guide the SUCs and CHED-recognized LUCs in the preparation of financial and operational reports related to the implementation of Free Higher Education program;
- (d) Prepare regional quality assurance reports, which may include gathering of raw data related to Free HE for assessment, planning and controlling purposes; and
- (e) Properly coordinate with and take guidance from the UniFAST Executive Director in the performance of duties and responsibilities.

1.3 State Universities and Colleges (SUCs) and CHED-Recognized Local Universities and Colleges (LUCs)

- (a) Execute and properly comply with the provisions of the tripartite Memorandum of Agreement between UniFAST, the Commission on Higher Education and the SUC / CHED-recognized LUC for the full implementation of Free Higher Education;
- (b) Orient faculty, administrative official and staff and parents, as well as all other stakeholders, about the Free Higher Education;
- (c) Diligently implement and comply with the Implementing Rules and Regulations of RA 10931 and the specific provisions of Rules II and III of these guidelines on Free HE; specifically, the following procedures will have to be undertaken:
 - (c1) Issue an official receipt for every amount received from CHED in relation to the Implementation of RA 10931, specifically on Free Higher Education;
 - (c2) Deposit the amount received in relation to the Free Higher Education to the authorized government depository bank;



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unilastsecretariat@ched.gov.ph



- (c3) Maintain a separate bank account for proper account management for the Free Higher Education;
 - (c4) To utilize the funds subject to usual accounting rules and regulations and / or the pertinent provisions of RA 8292; with respect to mobilization funds that will be transferred, will be subject to submission of liquidation reports duly signed by authorized signatories within the prescribed period;
 - (c5) Be accountable for the funds received from CHED pursuant to the agreement;
 - (c6) Revert back to CHED excess fund transfer (if applicable);
 - (c7) Comply with the provisions of COA Circular No. 94-013 and COA Circular No. 2012-01 (if applicable)
- (d) As part of the reportorial requirements to the UniFAST, to submit list of students who are qualified and who availed of the Free Higher Education, those who voluntarily opted out from the Free HE program and those who voluntarily contributed to the Free HE program.
- (e) Submit an annual report and other reportorial requirements on the date/s set by Congress regarding the implementation of Free Higher Education to the UniFAST Governing Board on or before a specific date set by the UniFAST Governing Board; and
- (f) Ensure that full assistance is granted to the qualified enrolled students to enable them to avail of the Free HE program by developing a complete support system, including but not limited to the designation of adviser/s. Such career counsellor/s shall perform the following tasks:
- (f.1) Provide assistance and guidance to the qualified enrolled students in having the right attitude, motivation and behavior in pursuing the degree program and
 - (f.2) Provide referral assistance with respect to the psychological, social and other welfare needs of the qualified enrolled student.
 - (f.3) Provide financial counselling programs and other support programs, as deemed necessary for the students.

1.4 Commission on Higher Education

1.4.1 CHED – Administrative, Financial and Management Services (CHED-AFMS)

- (a) Process payments subject to the usual accounting and auditing rules and regulations. Upon review, recommendation and endorsement of UniFAST Secretariat, check on the completeness, correctness and accuracy of the pertinent documents submitted by the SUCs / CHED-recognized LUCS



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



- (b) Facilitate preparation of LDDAP-ADA or cheque (with reference to DBM Circular Letter 2016-10 dated November 16, 2016) to the specific SUC or CHED-recognized LUC to signify approval for payment of the pertinent documents related to Free Higher Education which has been vet by the UniFAST Secretariat's Tertiary Education Financing Division
- (c) Examine and review the Free Higher Education Consolidated Statement (Form 10 and the Free Higher Education Details (Form 2) upon reconciliation of the Budget Appropriated to the SUC or CHED-recognized LUC vis-à-vis actual TOSF during the 1st and 2nd semester of a specific academic year;
- (d) Through the CHED – Cash Section, ensure that an Official Receipt (OR) has been provided to SUC / CHED-recognized LUC which has reverted back the excess fund transfer to CHED-AFMS.

1.4.2 CHED – Regional Offices

A corresponding budget to be charged to UniFAST Administrative Costs will be downloaded to the CHED – Regional Offices in order to carry out the following functions:

- (a) Aligned with the Guidelines for the Registry of Institution and Programs, the staff of CHED Regional Offices shall disseminate information to the SUCs and CHED-recognized LUCs within their region about the implementing rules and regulations and guidelines of the Free Higher Education;
- (b) Provide timely reminders to the SUCs and CHED-recognized LUCs about the Free Higher Education program implementation rules and regulations and specific guidelines to ensure compliance; and
- (c) In general, to properly coordinate and ensure the smooth systems and operations with the UniFAST Secretariat for the timely and efficient implementation of the programs under R.A. 10931.

1.5 Department of Budget and Management (DBM)

- (a) Ensure that the amount of funds necessary to carry out the Free Higher Education program will be included in the Annual General Appropriations Act;
- (b) Release funds to CHED for the Free Higher Education program; and
- (b.1) As stipulated in Section 52 Rule IX (Appropriation of Funds) of the Implementing Rules and Regulations of RA 10931, for Academic Year 2018 – 2019, the funds necessary to carry out the Free Higher Education program shall be sourced from CHED funds to be approved by the Department of Budget and Management and implemented by the CHED.





Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg, Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



- (b.2) Release the Notice of Cash Allocation (NCA) based on the submitted Monthly Disbursement Program (MDP) submitted for this purpose.

2.0 Reporting Requirements.

As required under Section 11 of RA 10931, the proper reporting requirements will be applied accordingly. Hereunder are supplementary guidelines to strengthen the monitoring and reportorial requirements for the Free HE:

- 2.1 The UniFAST Secretariat shall create a system that will efficiently and effectively monitor the administration of the Free HE, particularly the disbursement of benefits to student-beneficiaries and the status of students in the public higher education institutions availing of Free Higher Education.
- 2.2 The reportorial requirements will have to consider the needed information prescribed by the Congressional Oversight Committee. The UniFAST Secretariat should be ready to provide relevant, updated and pertinent reports about the implementation of the provisions of RA 10931 to the legislators and other stakeholders.

3.0 Quality Assurance

Under Section 2 of Republic Act No. 10687, the UniFAST shall ensure that the Free Higher Education benefits are awarded to students who are enrolled in quality institutions and programs. Corollary, Section 38 on Quality Standards of the IRR of R.A. 10931 will be applied accordingly.

4.0 Performance Monitoring and Impact Assessment

The Free Higher Education program shall be evaluated rigorously by the UniFAST Secretariat in terms of its impact on desired results and its progress towards achieving such goals shall be monitored regularly.

Tracer studies and survey data for experimental and quasi-experimental analyses shall be undertaken to produce credible impact evaluation studies, as may be determined by the UniFAST Governing Board, *provided*, that the Free Higher Education program will be evaluated every five (5) years from the date of its implementation.

5.0 Interpretation of Issues

- 5.1 Interpretation of the provisions of these guidelines, including cases not covered herein, shall be referred to the UniFAST Secretariat for final resolution by the UniFAST Board.
- 5.2 The UniFAST shall develop a system of review and grievance that will provide the mechanism to address grievances and complaints, and provide timely feedback on queries about the different programs of RA 10931.

MDP



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. uniFASTsecretariat@ched.gov.ph



6.0 Transparency and Accountability

- 6.1 The UniFAST Board and CHED shall adopt a strict policy on transparency and accountability in the disbursement of funds and shall be governed by the pertinent and applicable laws and regulations, including the Data Privacy Act whenever applicable.
- 6.2 Efficiency in the utilization of funds distributed, with disclosures as to the number of beneficiaries on a regional distribution) shall be implemented by the UniFAST Secretariat and CHED.
- 6.3 The UniFAST Board shall submit to the Joint Congressional Oversight Committee on Universal Access to Quality Tertiary Education Act, in printed form or through electronic document, the updated year-end report on the utilization of funds, including the lists of beneficiaries. The UniFAST Board shall be responsible for ensuring that said report is posted on the official UniFAST website.

RULE V

FINAL PROVISIONS

1.0 Separability Clause

Should any part of these Guidelines for Free Higher Education be declared by any competent legal authority as unconstitutional or invalid, the other parts or provisions hereof not otherwise affected shall continue to be in full force and effect.

2.0 Amendment

Any proposed amendment to these rules and regulations shall be promulgated exclusively by the UniFAST Governing Board.

3.0 Repealing Clause

All provisions of existing implementing rules and regulations, circulars, department issuances that are inconsistent with these guidelines are hereby repealed or modified accordingly.

4.0 Effectivity

These guidelines shall take effect fifteen days (15) after publication in a newspaper of general circulation.

These guidelines shall also be registered with the Office of National Administrative Register at the University of the Philippines Law Center, UP Diliman, Quezon City.

5/17



Republic of the Philippines
Unified Student Financial Assistance System for Tertiary Education

Ground Floor, Philippine Social Science Council Bldg. Commonwealth Avenue, Diliman Quezon City
Tel No. 9229630 Email. unifastsecretariat@ched.gov.ph



Approved by the UniFAST Governing Board pursuant to Resolution No. ___ during the 13th Regular Meeting on July 18, 2018.

Signed this 8th day of August 2018 at Diliman, Quezon City.

For the UniFAST Governing Board

COMMISSIONER J. PROSPERO E. DE VERA III, DPA
Officer-in-Charge
Commission on Higher Education
and UniFAST Governing Board

Attested by:

ATTY. CARMELITA YADAO-SISON MNSA, Ph.D.
OIC, Office of the Executive Director IV
UniFAST Secretariat