



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

Ground Floor, Bldg. E, UP Ayala Land Technohub Complex, Commonwealth Ave. Diliman, Quezon City
Email: unifastsecretariat@ched.gov.ph



COMMISSION ON HIGHER EDUCATION
Office of the Chairman

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MEMORANDUM CIRCULAR NO. 3
Series of 2023

TO : **COMMISSION ON HIGHER EDUCATION (CHED)**
CENTRAL AND REGIONAL OFFICES
STATE UNIVERSITIES AND COLLEGES (SUCs)
CHED-RECOGNIZED LOCAL UNIVERSITIES AND COLLEGES (LUCs)
PRIVATE HIGHER EDUCATION INSTITUTIONS (PRIVATE HEIs)

By: _____
Time / Ref. No.: _____

SUBJECT: **GUIDELINES ON THE USE OF ADMINISTRATIVE SUPPORT COST (ASC)**
UNDER THE TERTIARY EDUCATION SUBSIDY (TES) AND TULONG
DUNONG PROGRAM (TDP)

RATIONALE

These Guidelines are issued to clarify the use of administrative support cost (ASC) under the Tertiary Education Subsidy (TES) and Tulong Dunong Program (TDP) with the aim of ensuring the correct use of ASC thereby minimizing the amount of ASC funds returned to CHED and attaining the highest levels of allocative efficiency.

SECTION 1. LEGAL BASIS

The granting of ASC to HEIs is based on XIII.1. of the UniFAST-CHED-DBM Joint Memorandum Circular No. 04, series of 2020 or the "Enhanced Guidelines on the Tertiary Education Subsidy (TES) Program" and on Section 10 of UniFAST Memorandum Circular No. 02, s. 2021 as amended by UniFAST Memorandum Circular No. 05, s. 2021 and UniFAST Memorandum Circular No. 02, s. 2022.

SECTION 2. GENERAL PRINCIPLES

1. **30-Day Release Rule.** All HEIs must release all funds to grantees for the payment of TES-1, TES-2, TES-3a and TES-3b or TDP grants within 30 days from receipt thereof as evidenced by a certification of release of funds, certified by the HEI's disbursement officer or cashier or accountant and attested by the school president or head of HEI. Failure to release will result to the holding of the release of ASC due the HEI in the following semester until such time that the liquidation documents have been submitted. Notice of such holding will be given to the HEI prior to said act.

All HEIs are required to issue schedule of release of TES and TDP grants copy furnished the CHED Regional Offices. HEIs shall update in the TES and TDP Billing System the date of release of said grants to the grantees.

2. **Isolation of Non-Compliant Students.** In order to fast-track the release of TES and TDP to HEIs, CHEDROs shall hold the release of payment to students of the HEIs who have not yet complied with the liquidation requirements stated in Section 7 of UniFAST Memorandum Circular No. 01 series of 2022 or the Amended TES Guidelines until such time that these students have complied with the liquidation requirements but not later than 30-days upon notice to said students copy furnished the CHEDROs. HEIs will subsequently bill CHEDROs for compliant students. Non-compliance after such period shall be construed as waiver of the aforementioned student to receive the grant and shall be delisted as beneficiary of TES or TDP.



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- 3. Relevance of Expense Charged Against ASC.** All expenses charged to the ASC must be consistent with the purposes mentioned in XIII.1. of UniFAST-CHED-DBM JMC No. 04, series of 2020 or the “Enhanced Guidelines on the Tertiary Education Subsidy (TES) Program” and in Section 10 of UniFAST MC No. 02, s. 2021 as amended by UniFAST Memorandum Circular No. 05, s. 2021 and UniFAST Memorandum Circular No. 02, s. 2022.

The ASC from TES must be strictly used for allowable expenses related to TES while the ASC from TDP must be strictly used for allowable expenses related to TDP.

- 4. Honoraria for Resource Person.** The granting of honoraria for resource person related to TDP and TES activities must be consistent with DBM Budget Circular No. 2007-01¹.
- 5. Office Supplies Expenses.** Consistent with COA Circular No. 2013-002, dated January 30, 2013, office supplies include bond paper, ink, and small tangible items like staple wire remover, puncher, stapler and other similar items.
- 6. Gas expenses.** Gas expenses may be reimbursed for TES and/or TDP related activities of HEIs Focal.
- 7. Daily Travel Expenses (DTE).** The granting of DTEs of focal persons for TDP and TES related-activities must be consistent with Executive Order No. 77, series of 2019.
- 8. Communications Expenses.** Only the communications expenses of focal persons and personnel directly in charge of the implementation of TES or TDP may be charged from the ASC.
- 9. Semi-Expendable Property.** Consistent with Section 23 General Provisions, “Semi-Expendable Property”, Volume I-B, page 790 of the General Appropriations Act (GAA) of Fiscal Year 2022 and COA Circular No. 2022-004 dated May 31, 2022, the ASC may be used for the purchase of semi-expendable property, which are tangible items below Fifty Thousand Pesos (Php 50,000).

SECTION 3. ALLOWABLE AND PROHIBITED EXPENSES²

The following table summarizes expenses that may be and may not be charged from the ASC.

USE OF ASC	ALLOWED	PROHIBITED
Hiring of personnel for the	Payment of monthly salaries	• Honoraria for

¹ Section 4.2, DBM Budget Circular No. 2007-01

Minimum Honoraria. For a group of fifty (50) seminar/workshop/training participants, the minimum honoraria rates shall be two (2) times the resource person’s hourly rate based on his/her monthly salary at 22 work days per month, and 8 work hours per day.

Maximum honoraria. Such honoraria may be raised further but not exceeding the maximum honoraria rate of two (2) times the hourly rate for a position of Professor VI, step 1 of SG-29, depending on the difficulty and complexity of the subject matter, the professional qualifications of the lecturers, resource persons, coordinators and facilitators, and the position levels of the participants. Furthermore, the honoraria to be paid shall correspond to the number of actual lecture/training hours plus equal number of hours for preparation.

Honoraria Adjustment. The total honoraria may be proportionately increased depending on the number of seminar/workshop/training participants in excess of fifty (50) participants.

² In accordance with the Revised COA Chart of Accounts and related DBM issuances, see previous footnotes.



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USE OF ASC	ALLOWED	PROHIBITED
implementation of TES or TDP	or wages, including hazard and gratuity pay as may be specified in the employment contract	employees <ul style="list-style-type: none"> • Overtime pay • 13th and 14th month pay for government employees • Honoraria paid to student assistants
Conduct of activities related to TES or TDP, including: Seminars, Meetings, Trainings, Student Orientations, Consultations, Mentoring Programs, and General Assemblies	<ul style="list-style-type: none"> • Token for the resource speaker, guests, and attendees • Office supplies and materials • Event set-up including venue rental packages • Transportation of participants • Rent of Sound System • Honoraria for resource persons • Meals 	<ul style="list-style-type: none"> • Honoraria for guests other than resource persons
Daily Travel Expenses consistent with E.O. 77 series of 2019	<ul style="list-style-type: none"> • Meals • Hotel accommodation or lodging, including the prescribed taxes and service charges • Incidental expenses • Reasonable miscellaneous expenses at the place of assignment. • Taxi or Transportation Network Vehicle Services (TNVS) fare not exceeding PhP 300 • Bus fare • Boat fare • Plane fare • Jeepney fare • Van fare • Tricycle fare • Gas expense 	All daily travel expenses other than those stated in the previous column.
Supplies and Materials exclusive for the implementation of TES and TDP	<ul style="list-style-type: none"> • Other office supplies and materials 	Unrelated supplies such as: <ul style="list-style-type: none"> • Janitorial supplies • Maintenance



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USE OF ASC	ALLOWED	PROHIBITED
		supplies <ul style="list-style-type: none"> • Construction materials
Communication expense for TES or TDP focal persons and personnel	<ul style="list-style-type: none"> • Local prepaid cell phone cards, maximum of PhP 300 per person per month • Internet cards, maximum of PhP 300 per person per month • Postage and courier expense 	<ul style="list-style-type: none"> • Landline bill • Mobile phone unit exceeding the limit for semi-expendables and for non-TES and TDP focal persons or personnel • Postpaid phone bill • Internet subscription
Semi-expandable Property (not exceeding PhP 50,000.00 per unit)	ICT-related equipment and accessories <ul style="list-style-type: none"> • Monitor • Laptops • Computer parts such as internal hardware • Computer peripherals such as keyboard, mouse, headphones, cable wires, flash drive, external hard drive, wifi repeater, router, access point Office equipment and accessories: <ul style="list-style-type: none"> • Projector • Photocopier • Ring binding machine • Heavy duty paper cutters • Shredder • Extension wire • Universal power supply • Camera 	



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USE OF ASC	ALLOWED	PROHIBITED
	<ul style="list-style-type: none"> • Recorder • Sound system such as speaker, microphone, and mixer Furniture, fixtures, and other equipment <ul style="list-style-type: none"> • Office chairs • Monoblocks / gang chairs • Filing cabinet • Drawer 	
Other expenses	<ul style="list-style-type: none"> • Bank charges • Remittance fees for release to students of TES or TDP • Notarization of documents related to TES or TDP implementation, such as but not limited to the following: <ul style="list-style-type: none"> ○ TES Sharing Agreement ○ MOA between CHED-UniFAST-HEI (done only once) • Check booklets payment 	<ul style="list-style-type: none"> • Electrical supplies • Air conditioner • Pantry supplies and utensils • Curtains • Pillows • Utility bills such as bills for water and electricity • Pest-control supplies • Repair and maintenance of facilities and equipment including materials • Other expenses not relevant to the implementation of TES or TDP

SECTION 4. DOCUMENTARY REQUIREMENTS

In the liquidation of expenses charged against the ASC, the certified true copies, originally signed by the person certifying, of the following must be submitted to the CHED Regional Offices within 90 days after the end of the 2nd semester of the academic calendar³, or 90 days from receipt of funds if the HEIs received funds beyond the 2nd Semester.

³In accordance with Section 7 of UniFAST Memorandum Circular No. 01, series of 2022 (Amended TES Guidelines) and Subsection 9.3 of UniFAST Memorandum Circular No. 02, series of 2021 as amended by UniFAST Memorandum Circular No. 02, series of 2022.



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USE OF ASC	Documentary Requirements
Hiring of Personnel for the implementation of TES or TDP	<ol style="list-style-type: none"> 1. Disbursement Voucher/Acknowledgment Receipt (for private HEIs); 2. Notarized Contract w/ detailed job description for TES or TDP; and, 3. Payroll.
Conduct of activities related to TES or TDP, including Seminars, Meetings, Trainings, Student Orientations, Consultations, Mentoring Programs, and General Assemblies	<ol style="list-style-type: none"> 1. Authority to conduct activity; 2. Disbursement Voucher/Acknowledgment Receipt (for private HEIs); 3. Official Receipts of expenses incurred during the activity; 4. Attendance Sheets; and, 5. Minutes of the Meeting / Program of the activity.
Daily Travel Expenses (DTE)	<ol style="list-style-type: none"> 1. Authority to Travel; 2. Certificate of Appearance; 3. Travel Itinerary; 4. Official Receipt of necessary expenses; 5. Disbursement Voucher/Acknowledgment Receipt (for private HEIs); 6. Reimbursement Expense Receipt (RER) for travel expenses without receipts / invoices; 7. Invitation, memo, letter for the activity; and, 8. Certificate of travel completed (as needed).
Supplies and Materials used only in relation to the implementation of TES and TDP	<ol style="list-style-type: none"> 1. Disbursement Voucher/Acknowledgment Receipt (for private HEIs); 2. Official Receipt; and, 3. Purchase Order.
Communication expense for TES or TDP focal persons and personnel	<ol style="list-style-type: none"> 1. Disbursement Voucher/Acknowledgment Receipt (for private HEIs); 2. Official Receipt; 3. Purchase Order; and, 4. List of personnel authorized for communication expenses.
Semi-expendable Property	<ol style="list-style-type: none"> 1. Disbursement Voucher/ Acknowledgment Receipt (for private HEIs); 2. Purchase Order; and, 3. Official Receipt.
Other expenses	<ol style="list-style-type: none"> 1. Official receipt or other proof of said expenses



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SECTION 5. SEPARABILITY CLAUSE

If, for any reason, any provision of this Circular is declared unconstitutional, or contrary to law or superseded by any other laws, DBM or COA issuances, all the other parts or provisions hereof which are not affected shall continue to be in full force and effect. Any DBM or COA issuances issued after the issuance of these guidelines shall be timely transmitted by the UniFAST Secretariat through the CHEDROs together with the required forms, if there are any.

SECTION 6. EFFECTIVITY CLAUSE

These guidelines shall take effect immediately and shall apply prospectively.

Approved by the UniFAST Board through UniFAST Board Resolution No. 2023-019 issued in its 42nd Regular Meeting on July 5, 2023

Signed this 14th day of July 2023.

UniFAST Board

(Signed)

J. PROSPERO E. DE VERA III, DPA
Chairman
Commission on Higher Education
and the UniFAST Board

Attested by:

(Signed)

ATTY. RYAN L. ESTEVEZ
Officer-In-Charge, Office of the Executive Director IV
UniFAST Secretariat