

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City, Philippines

EIGHTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 2021



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INTRODUCED BY REPRESENTATIVE ALFRED VARGAS

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EXPLANATORY NOTE

The 1987 Philippine Constitution places great importance in the value of accessible quality education. Article XIV provides:

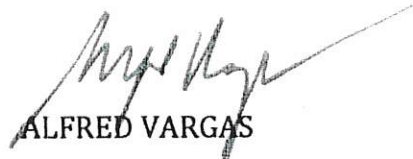
*Sec. 1. The State shall protect and promote the right of all citizens to quality education at all levels, and shall take appropriate steps to make such education accessible to all.*

*Sec. 2. The State shall establish, maintain, and support a complete, adequate, and integrated system of education relevant to the needs of the people and society.*

In recognition to these, several local government units have established Local Universities and Colleges (LUCs) in their respective areas in order to make tertiary education accessible to their young constituents.

This bill seeks to prescribe and institutionalize the guidelines on the establishment and operation of these LUCs. This will ensure that quality education is of utmost importance in formulating and implementing policies on higher education.

In view of the foregoing, the passage of this bill is earnestly sought.

  
ALFRED VARGAS

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**AN ACT**  
**PRESCRIBING THE MANDATORY GUIDELINES ON THE ESTABLISHMENT AND**  
**OPERATION OF LOCAL UNIVERSITIES AND COLLEGES AND FOR OTHER PURPOSES**

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

**SEC. 1. Short Title.** – This Act shall be known as the “Local Universities and Colleges Governance Act.”

**SEC. 2. Declaration of Policy.** – It is the policy of the State to establish, maintain and support a complete, adequate and integrated system of education relevant to the needs of the people and society. Towards this end, the mandatory guidelines on the establishment of Local Universities and Colleges (LUCs) is prescribed to achieve a standard and integrated system of higher education and provide a relevant direction in their governance.

**SEC. 3. Definition of Terms.** – As used in this Act, these terms shall mean:

- a. **Association of Local colleges and Universities (ALCU)** – The association of local colleges and universities in the Philippines that was established in 2003 to improve the quality of instruction, research, and extension of its member schools and to provide quality public tertiary education.
- b. **Commission on Higher Education (CHED)** – The government agency created by Republic Act No. 7722, otherwise known as the “Higher Education Act of 1994”, which has jurisdiction over all public and private higher education institutions (HEIs) in the Philippines.
- c. **Governing Board** – The highest policy-making body of a local university or college.
- d. **Local University or College (LUC)** – The public higher education institution established by a local government unit through an enabling ordinance.

- e. **Local Government Unit (LGU)** – Any municipality, city or provincial government that created or established the LUC.
- f. **Ordinance** – The enabling act of the Sangguniang Bayan, Panglunsod or Panlalawigan that creates a particular LUC.
- g. **Sanggunian** – The local legislative body which includes Sangguniang Bayan for Municipality, and Sangguniang Panlalawigan for Province.

SEC. 4. **Coverage** – This Act shall apply to the following:

- a) Existing LUCs; and
- b) New higher educational institutions to be established by any LGU.

SEC. 5. **Establishment of LUCs** – All LUCs shall be established through an ordinance duly enacted for that purpose by the Sanggunian concerned provided that prior to the enactment of the same, the LGU establishing a higher education institution shall consult and coordinate with CHED, through the Regional office having jurisdiction of the place where the institution is intended to be established to ensure full compliance with the mandatory requirements as set forth in this Act.

SEC. 6. **Mandatory Requirements for the Establishment of LUC** – The CHED shall strictly require all LUCs to submit the following requirements for review and approval:

- a. Feasibility study that shall include but shall not be limited to the following discussions: 1) the necessity for a local higher education institution in the area, 2) human resource requirements of the industry to determine proposed program offerings, 3) target offerings, 3) availability of qualified administrators, faculty and non-teaching personnel and 4) financial capacity of the LGU to establish and sustain the operation of an LUC;
- b. Certification of availability of funds by the treasurer of the LGU concerned, as provided for under the pertinent provisions of the Local Government Code of 1991;
- c. A project development plan to show that the LGU allocated a school site with appropriate size and location pursuant to the applicable provisions of the Building Code of the Philippines, blueprint of architectural design for its buildings and other physical facilities and provisions for acquisition of instructional materials and equipment that comply with CHED Memorandum Orders (CMOs) pertinent to the program offered;

- d. A five-year institutional development plan duly approved by the Sanggunian which shall include but shall not be limited to the following:
  - a) annual budgetary allocation;
  - b) organizational structure and composition of the governing board; and
  - c) plantilla of positions as provided for in the Association of Local Colleges and Universities (ALCU) Unified Merit System duly approved by the Civil Service Commission;
- e. A duly established LUC shall require the imprimatur of the CHED prior to the offering of a higher education program. The Chairman of the governing board, or its President when so authorized by the governing board, shall file with CHED an application to offer a higher education program. The application shall be supported with documents indicating compliance with the policies and standards relative to such degree program.

**SEC. 7. Supervisory and Visitorial Powers of CHED.** – All LUCs are subject to the annual inspection and evaluation of CHED, unless there are compelling reasons which may require further review and evaluation.

**SEC. 8. The Governing Board of LUCs.**

- a) *Composition* – The governing body of local universities and colleges shall be composed of the following:
  - i. Local Chief Executive as Chairman;
  - ii. President of the LUC as Vice-Chairman;
  - iii. President of the duly recognized faculty association of the LUC as member;
  - iv. President of the duly recognized student council of the LUC as member;
  - v. President of the alumni association as member;
  - vi. Chairman of the Sangguniang Committee on Education as member
  - vii. ALCU representative as member;
  - viii. Two (2) representatives from CHED with rank not lower than Director as members;
  - ix. Treasurer of the local government units establishing the LUC;

- x. Budget Officer of the local government unit establishing the LUC;
  - xi. Two (2) representatives from the private sector, who are known probity and should have distinguished themselves in their respective professions or fields of specialization, in the municipality, city, or province where the local university or college is located. They shall appointed by the Local Chief Executive and shall each serve for a term of two (2) years from the date of their respective appointments.
- b) *Term of Office* – The president of the faculty association, the student council, and the alumni association shall sit in the Board until the expiration of their term of office in such capacities. The two (2) representatives from the private sector shall serve for a term of two (2) years.
  - c) *Meetings* – The Governing Board shall regularly convene every month. The Chairman of the Board may call for a special meeting whenever necessary. Provided, That members are notified in writing at least three (3) days prior to said meeting.
  - d) *Quorum* – A majority of all the members of the governing board holding office at the time of its regular or special meeting shall constitute a quorum.

**SEC. 9. Powers of the Government Board.** – The governing board of the LUCs shall have the following powers and duties.

- a) To promulgate policies in accordance with the declared state policies on higher education as well as the policies, standards and thrusts of the CHED under R.A. No. 7722 and other pertinent laws;
- b) To promulgate rules and regulations consistent with existing laws, rules and regulations as may be necessary to carry out the purposes and functions of the LUC;
- c) To develop academic arrangements and linkages for institutional capability building with appropriate institutions and agencies, both public and private, local and foreign;
- d) To determine and approve curricular programs and course offerings in response to the needs and demands of the community provided that these should comply with policies and guidelines set by CHED;
- e) To promulgate policies on admission, retention and graduation of students and to award degrees, titles, diplomas and certificates;

- f) To ensure the efficient management of non-academic services such as medical and dental, guidance and consoling, property maintenance and similar services;
- g) To institutionalize research and extension programs;
- h) To appoint the President of the local university or college upon the recommendation of the search committee;
- i) To confirm appointments of other school officials, teaching and non-teaching personnel appointed by the President;
- j) To delegate any of its powers and duties provided for herein to the President and/or other officials of the university or college as it may deem appropriate in order to expedite the administration of the affairs of the LUC;
- k) To fix the tuition fees, miscellaneous fees and other schools charges as the board may deem proper to impose after due consultations with the involved sectors

SEC. 10. **Administration of the LUC.** - The administration of the local university or college shall be vested in the President who shall render full-time service. He shall be appointed by the governing board upon the recommendation of a duly constituted search committee.

The President shall hold a doctoral degree in education, administration or other related fields, and should have at least five (5) years of relevant administrative experience, without prejudice to the provision of additional qualifications to be set by the governing board of the LUC.

In case of vacancy in the Office of the President by reason of death, compulsory retirement, resignation, removal for cause or incapacity of the President to perform the functions of his office, the Board shall have the authority to designate an Officer-in-Charge of the LUC pending the appointment of a new president.

The powers and duties of the President of the LUC, in addition to those specifically provided in this Act, shall be those usually pertaining to the Office of the President of other colleges, and those delegated by the Board.

The salary of the President of the LUC shall be set by the Board, taking into consideration the applicable civil service rules and regulations and ensuring that the same shall be comparable to that being received by the presidents of similar educational institutions.



The vice-presidents, deans, directors, heads of departments, faculty, non-teaching personnel and such other officials and employees of the LUC shall be appointed by the president, subject to confirmation of the Board. The appointments of these LUC officials and employees shall conform to existing civil service laws, rules and regulations.

The aforementioned officers and employees may be removed from office for causes established under the rules on civil services.

**SEC. 11. Search Committee.** – In case of vacancy in the Office of the President brought about by any of the causes mentioned in the preceding section, the governing board shall organize and convene a Search Committee for the selection of a president.

The Search Committee shall have five (5) members to be appointed by the governing board from among its members. It shall elect a Chairman and Vice-Chairman and shall ensure that the new LUC president is selected within three (3) months from the time the position is vacated.

**SEC. 12. Elevation to University Status.** – A new local higher education institution shall start as a local college and the grant of a university status is contingent upon the satisfaction of all requirements embodied under the rules and regulations of CHED.

**SEC. 13. Penalties for Non-Compliance.** – LUCs are mandated to comply with the requirements set forth under this Act.

Any person who acts in violation of this section shall incur administrative liabilities as may be determined in the implementing rules and regulations.

**SEC. 14. Existing LUCs** – In the interest of efficient control and regulation by CHED, LUCs which are already existing at the time of the effectivity of this Act shall be allowed to continue its operation for a non-extendible period of one (1) year to comply with the requirements set forth herein and its IRR.

**SEC. 15. Implementing Rules and Regulations.** – The Commission on Higher Education, in coordination with relevant sectors, shall promulgate the implementing rules and regulations as may be necessary to carry out the provisions of this Act.

**SEC. 16. Separability Clause.** – Should any part of this Act be declared unconstitutional, the rest of the provisions of this Act shall continue to be in effect and subsisting.

**SEC. 17. Repealing Clause.** The provisions of other laws, decrees, executive orders, rules and regulations inconsistent with this Act are hereby repealed, amended, or modified accordingly.

**SEC. 18. Effectivity.** – This Act shall take effect fifteen (15) days after publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,