

**[ REPUBLIC ACT NO. 8545, February 24, 1998 ]**

**AN ACT AMENDING REPUBLIC ACT NO. 6728, OTHERWISE  
KNOWN AS "AN ACT PROVIDING GOVERNMENT ASSISTANCE TO  
STUDENTS AND TEACHERS IN PRIVATE EDUCATION AND  
APPROPRIATING FUNDS THEREFOR," ESTABLISHING A FUND  
FOR THE PURPOSE OF SUBSIDIZING SALARIES OF PRIVATE  
SCHOOL TEACHERS, AND APPROPRIATING FUNDS THEREFOR**

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

SECTION 1. Republic Act No. 6728, otherwise known as the "Government Assistance to Students and Teachers in Private Education Act," is hereby amended to read as follows:

"SECTION 1. Title. - This Act shall be known as the 'Expanded Government Assistance to Students and Teachers in Private Education Act.'

"SEC. 2. Declaration of Policy. - It is a declared policy of the State in conformity with the mandate of the Constitution, to promote and make quality education accessible to all Filipino citizens. The State also hereby recognizes the complementary roles of public and private educational institutions in the educational system and the invaluable contribution that the private schools have made and will make to education. For these purposes, the State shall provide the mechanisms to improve quality in private education by maximizing the use of existing resources of private education, recognizing in the process the government's responsibility to provide basic elementary and secondary education, post-secondary vocational and technical education and higher education as having priority over its other functions.

"Elementary education is the first six (6) years of basic education, excluding pre-school and grade seven, the completion of which is attested by a certificate issued by or with permission of the Department of Education, Culture and Sports. Secondary education is the next four (4) years of basic education, the completion of which is attested by a high school diploma issued by or with permission of the Department of Education, Culture and Sports.

"Post-secondary education may be education and training in non-degree vocational and technical courses offered in postsecondary vocational and technical institutions or education in degree courses offered by higher educational institutions, the completion of which are attested by a certificate or diploma issued by or with permission of the Technical Education and Skills Development Authority (TESDA) or the Commission on Higher Education (CHED), respectively.

"SEC. 3. Criteria for Assistance. - The programs for assistance shall be based on a set of criteria which shall include, among others, tuition fees charged by the schools, the socioeconomic needs of each region giving priority to the Social Reform Agenda (SRA) provinces, overall performance of the schools, the academic qualifications and the financial needs of the students and the teachers and the financial needs of the schools, as well as the geographic spread and size of student population.

"In addition to the foregoing criteria, within such reasonable time as the respective State Assistance Council may determine, student grantees under the Private Education Student Financial Assistance Program shall be enrolled in schools which have accredited programs or are applying for accreditation as may be recognized by the respective State Assistance Council.

"Preference shall be given to students whose family income is not more than Seventy-two thousand pesos (P72,000) or such amounts as may be determined by the respective councils, as defined hereinafter.

"For purposes of this Act, programs of assistance to students and teachers of private post-secondary vocational and technical institutions and higher educational institutions shall likewise be extended to students and teachers of community colleges in degree and non-degree programs. Implementation of the program shall encourage students to undergo post-secondary vocational and technical and higher education courses in the same region where their families reside.

"The programs of assistance under this Act shall be extended only to students who are citizens of the Philippines.

"The State Assistance Council, jointly with the Department of Education, Culture and Sports (DECS), the CHED and the TESDA shall formulate measurement standards for the evaluation of the quality of courses as well as the standing and status of the recipient institutions.

"Within five (5) years from the approval of this Act, the assistance shall be given to schools: Provided, that the present allocation of the tuition fee and other income of the schools shall be used at the same proportion and allocation as provided by law.

"SEC. 4. Forms of Assistance. - Assistance to private education shall consist of assistance to students and assistance to teachers.

"The following are forms of assistance to students in private education:

1. Tuition fee supplements for students in private high schools, including students in vocational and technical courses;
2. High School Textbook Assistance Fund: Provided, That the textbook assistance per student in private high schools shall be determined by the council and shall not exceed what students in public high schools are provided on a per student basis under a comprehensive textbook program of the Secondary Education Development Program (SEDP):

Provided, further, That the textbook assistance shall be granted only to beneficiaries of tuition fee supplements and educational service contracting scheme provided in this Act;

3. Expansion of the existing Educational Service Contracting (ESC) Scheme;
4. The voucher system of the Private Education Student Financial Assistance Program (PESFA);
5. Scholarship grants to students graduating as valedictorians and salutatorians from secondary schools;
6. Tuition fee supplements to students in private colleges and universities; and
7. Education Loan Fund.

"The following are forms of assistance to teachers and faculty in private education:

1. In-service training fund for teachers in private high schools; and
2. College Faculty Development Fund.

"SEC. 5. Tuition Fee Supplements for Students in Private High Schools. -

1. Financial Assistance for tuition for students in private high schools shall be provided by the government through a voucher system in the following manner:
  - a. For students enrolled in schools charging an amount as may be determined by the State Assistance Council, the government shall provide them with a voucher in such an amount as may be determined by the council: Provided, That the government shall reimburse the vouchers from the schools concerned within one hundred twenty (120) days from the close of the registration period.
2. Assistance under paragraph (1), subparagraph (a) shall be guaranteed to all private high schools participating in the program for a number of slots as of the effectivity of this Act as the total number of students who availed of tuition fee supplements for school year 1997-1998: Provided, That the State Assistance Council may in subsequent years determine additional slots and/ or additional participating high schools as may be deemed necessary.

"SEC. 6. High School Textbook Assistance Fund. - There shall be established in the Department of Education, Culture and Sports (DECS), a High School Textbook Assistance Fund, so that assistance on a per student basis shall be given to students enrolled in private schools exclusively for the purchase of high school textbooks, in support of the implementation of the Secondary Education Development Program: Provided, That the textbook assistance per student in private high schools shall be determined by the council and shall not exceed what students in public high schools are provided on a per student basis: Provided, further, That the textbook assistance shall be granted only to beneficiaries of tuition fee supplements and educational service contracting scheme provided in this Act.

"SEC. 7. Expansion of the Existing Educational Service Contracting (ESC) Scheme. -

- a. The Department of Education, Culture and Sports (DECS) shall continue to enter into contracts with private schools whereby the government shall shoulder the tuition and other fees of high school students who shall enroll in private high schools under this program.
- b. The Department shall also enter into contracts with private schools in communities where there are no public high schools, in which case the Department shall shoulder the tuition and other fees of students who shall enroll in said private schools.
- c. The amount of assistance to be given by the government under this section shall not exceed that determined as the per student cost in public high schools.
- d. The Department shall fully pay the subsidized amount to participating schools not later than one hundred eighty (180) days from the close of the registration period.
- e. The amount of assistance shall be allocated and distributed among the sixteen (16) regions in proportion to the total population as well as the high school age population for the first school year: Provided, That starting school year 1998, an equalization scheme shall be implemented by the State Assistance Council.
- f. The amount of assistance to private high schools participating in the program shall be guaranteed for a number of slots as of the effectivity of this Act as the number of students availing of educational service contracting assistance for school year 1997-1998: Provided, That the State Assistance Council may, in subsequent years determine additional slots and/or additional participating private high schools as may be deemed necessary.

"SEC. 8. Assistance to College Freshmen. -

- a. The Voucher System of Private Education Student Financial Assistance (PESFA) Program. The existing Private Education Student Financial Assistance (PESFA) Program which covers degree and non-degree vocational/technical courses shall be expanded so that all qualified enrolling first year students can benefit from a scholarship, plus an allowance. Such financial assistance shall be granted to deserving underprivileged students, who shall be selected on the basis of family income, geographic spread and results of competitive examinations to be given by the CHED for degree courses and the TESDA for non-degree vocational/technical courses in all secondary schools in coordination with the DECS. The program shall be equitably allocated to provinces and cities in accordance with regional and national plans to priority courses as determined by the CHED and the TESDA.

"For purposes of this Act, an underprivileged student shall refer to a student whose gross income, if any, and that of the combined annual gross income of his/her parents do not exceed Seventy-two thousand pesos (P72,000.00).

- b. Tuition Waiver. - Private post-secondary vocational and technical institutions and higher educational institutions shall provide for full or half tuition waivers for five percent (5%) of the entering freshmen, which shall include among others, valedictorians and salutatorians of both public high schools and private high schools: Provided, That those