

SECOND DIVISION

[G.R. NO. 164060, June 15, 2007]

**FACULTY ASSOCIATION OF MAPUA INSTITUTE OF TECHNOLOGY
(FAMIT), PETITIONER, VS. HON. COURT OF APPEALS, AND
MAPUA INSTITUTE OF TECHNOLOGY, RESPONDENTS.**

DECISION

QUISUMBING, J.:

This is an appeal to reverse and set aside the Decision^[1] dated August 21, 2003 and the Resolution^[2] dated June 3, 2004 of the Court of Appeals in CA-G.R. SP No. 71479. The appellate court had reversed the Decision of the Office of the Voluntary Arbitrators. It held that the incorporation of the new faculty ranking to the 2001 Collective Bargaining Agreement (CBA) between petitioner and private respondent has been the intention of the parties to the CBA.

The facts in this case are undisputed.

In July 2000, private respondent Mapua Institute of Technology (MIT) hired Arthur Andersen to develop a faculty ranking and compensation system. On January 29, 2001, in the 5th CBA negotiation meeting, MIT presented the new faculty ranking instrument to petitioner Faculty Association of Mapua Institute of Technology (FAMIT).^[3] The latter agreed to the adoption and implementation of the instrument, with the reservation that there should be no diminution in rank and pay of the faculty members.

On April 17, 2001, FAMIT and MIT entered into a new CBA effective June 1, 2001.^[4] It incorporated the new ranking for the college faculty in Section 8 of Article V which states that, "A new faculty ranking shall be implemented in June 2001. However, there shall be no diminution in the existing rank and the policy 'same rank, same pay' shall apply."^[5]

The faculty ranking sheet was annexed to the CBA as Annex "B," while the college faculty rates sheet for permanent faculty and which included the point ranges and corresponding pay rates per faculty level was added as Annex "C."

When the CBA took effect, the Vice President for Academic Affairs issued a memorandum to all deans and subject chairs to evaluate and re-rank the faculty under their supervision using the new ranking instrument. Eight factors were to be considered and given their corresponding weights/points according to levels attained per factor. Among these were: (1) educational attainment; (2) professional honors received; (3) relevant training; (4) relevant professional experience; (5) scholarly work and creative efforts; (6) award winning works; (7) officership in relevant technical and professional organizations; and (8) administrative positions held at

MIT.^[6]

After a month, MIT called FAMIT's attention to what it perceived to be flaws or omissions in the CBA signed by the parties. In a letter^[7] dated July 5, 2001 to FAMIT, MIT requested for an amendment of the following CBA annexes – Annex "B" (Faculty Ranking Sheet); Annex "C" (College Faculty Rates for Permanent Faculty Only); and Annex "D" (H.S. Faculty Rates for Permanent Faculty Only). MIT claimed that with respect to Annexes "C" and "D," these contained data under the heading "TOTAL POINTS" that were not germane to the two other columns in both annexes. With regard to the Faculty Ranking Point Range sheet of the new faculty ranking instrument, MIT avers that this was inadvertently not attached to the CBA.

FAMIT rejected the proposal. It said that these changes would constitute a violation of the ratified 2001 CBA and result in the diminution of rank and benefits of FAMIT college faculty. It argued that the proposed amendment in the ranking system for the college faculty revised the point ranges earlier agreed upon by the parties and expands the 19 faculty ranks to 23.

Meanwhile, MIT instituted some changes in the curriculum during the school year 2000-2001 which resulted in changes in the number of hours for certain subjects. Thus, MIT adopted a new formula for determining the pay rates of the high school faculty: *Rate/Load x Total Teaching Load = Salary* where *total teaching load equals number of classes multiplied by hours of service per week divided by 3 hours* (as practiced, one unit subject is equal to 3 hours service).

Upon learning of the changes, FAMIT opposed the formula. It averred that unknown to FAMIT, MIT has not been implementing the relevant provisions of the 2001 CBA. In particular, FAMIT cites Section 2 of Article VI, which states as follows:

ARTICLE VI
General Wage Clause

x x x x

Section 2. The INSTITUTE shall pay the following **rate per load** for high school faculty according to corresponding faculty rank, to wit:

- 25% increase in per rate/load for all high school faculty members effective November 2000;
- 10% increase in per rate/load for all permanent high school faculty members effective June 2001.^[8] (Emphasis supplied.)

On July 20, 2001, FAMIT met with MIT to settle this second issue but to no avail. MIT maintained that it was within its right to change the pay formula used.

Hence, together with the issue pertaining to the ranking of the college faculty, FAMIT brought the matter to the National Conciliation and Mediation Board for mediation. Proceedings culminated in the submission of the case to the Panel of Voluntary Arbitrators for resolution.

The Panel of Voluntary Arbitrators ruled in favor of the petitioner. It ordered the private respondent to:

1. Implement the agreed upon point range system with 19 faculty ranks, along with the corresponding pay levels for the college faculty, consistent with the provisions of Article V, Section 8 of the 2001 CB[A] and Annex C of the said CBA, and
2. Comply with the provisions of Article VI, Section 2 of the existing CBA, using past practices or formula in computing the pay of high school faculty based on rate per load and to pay the faculty their corresponding rates on this basis,

Both actions of which (sic) should be made concurrent with the effectivity of the current CBA.

SO ORDERED.^[9]

On appeal, the Court of Appeals reversed the ruling of the Panel of Voluntary Arbitrators and decreed as follows:

WHEREFORE, the petition is hereby **GRANTED**. The assailed decision of the voluntary arbitrators is **REVERSED**. Accordingly, petitioner's proposal to include the faculty point range sheet in Annex "B" of the 2001 CBA, as well as to replace Annex "C" with the document on the 23-level faculty ranking instrument and replace the column containing the heading "Total Points" which is attached in Annexes "C" and "D" of the 2001 CBA with the correct data is also **GRANTED**.

SO ORDERED.^[10]

Hence, the instant petition.

The petitioner enumerated issues for resolution, to wit:

I

WHETHER THE PRIVATE RESPONDENT MAY PROPERLY, LEGALLY AND VALIDLY ALTER, CHANGE AND/OR MODIFY UNILATERAL[L]Y PROVISIONS OF THE COLLECTIVE [BARGAINING] AGREEMENT (CBA) IT HAD NEGOTIATED, ENTERED INTO AND SIGNED WITH THE PETITIONER AND SUBSEQUENTLY RATIFIED AND ENFORCED BY THE PARTIES; AND

II

WHETHER PRIVATE RESPONDENT MAY PROPERLY, LEGALLY AND VALIDLY CHANGE[,] ALTER AND/OR REPLACE UNILATERAL[L]Y A PROVISION OR FORMULA EMBODIED IN A PERFECTED, EXISTING AND ALREADY ENFORCED CBA TO THE PREJUDICE, OR MORE SPECIFICALLY TO THE DIMINUTION OF SALARY/BENEFITS AND DOWNGRADING OF RANKS, OF ITS COLLEGE AND HIGH SCHOOL FACULTY.^[11]