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Comments on (1) bills extending EDCOM II, (2) bills amending the Universal Access to Quality Tertiary Education Act, and (3) bills on the governance of Local Universities and Colleges (LUCs)

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Bills extending EDCOM III

Creating EDCOM III is needed to ensure continuity in the implementation and monitoring of reforms initiated by the previous Commission. Education/learning are critical drivers of employability and productivity, and the measure can consider the following points:

- Strengthen the link between learning and employment; ensure that the National Education Agenda serves as a learning roadmap that aligns well with industry roadmaps.
- Engage the Department of Trade and Industry to help bridge skills gaps.
- Lead the collection of data necessary to undertake impact/process evaluations of programs/reforms initiated under the previous Commission.
- Increase the number of years the Commission will exist, as implementing reforms and achieving outcomes require time.

Bills amending the Universal Access to Quality Tertiary Education Act

Amending the UAQTEA to ensure efficiency, equity, and accountability in the implementation of the tertiary education subsidy program is a critical legislative initiative given issues in the program design and potential improvements in the provision of support services and program monitoring (https://doi.org/10.62986/dp2024.22). In addition, while financial aid plays a significant role in school progression, certain household-level vulnerabilities, including the age and civil status of the household heads (e.g., elderly, solo parent/widowed), affect the risk and incidence of college exits (https://doi.org/10.62986/dp2025.12). In these contexts, the following points are highlighted:

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- A standard prioritization instrument is essential to ensure a centralized and consistent approach to identifying and ranking eligible beneficiaries. One such instrument is the *Listahanan* database integrated with information from the 4Ps. Utilizing this combined database as the primary basis for prioritization ensures that: (1) support is directed toward vulnerable and deserving students, and (2) any remaining funds are allocated according to a national/regional (rather than local or fragmented) ranking based on both income and non-income criteria.

- Early access to eligibility information is essential for enabling students to make informed decisions about their schooling choices. Thus, the identification of eligible beneficiaries, along with the release of relevant details, such as the list of qualified higher education institutions (HEIs) and the programs they offer, should be completed at least one semester before the start of the academic year. This information must be easily accessible, preferably through credential-activated online portals, recognizing that potential enrollees or beneficiaries may include returning learners.

- HEIs should be permitted to charge expenses for learner support services, such as counseling and bridging programs, to the program's Administrative Support Cost (ASC). Delays in ASC liquidation are among the primary causes of the disbursement delays.

Bills on the Governance of LUCs

Enacting a law on LUCs' governance is an important legislative initiative to ensure that LUCs respond better to key developments that are increasingly gravitating towards quality tertiary education. Compared to other public HEIs, LUCs face greater challenges in budget and staffing due to their governance and financing structures. To address these issues, it is important that: (1) LUCs' staffing requirements are protected from the rules in LGUs' personnel services spending, (2) LUCs' funding is not left to the discretion of LGUs, and (3) LUCs demonstrate strong financial accountability (https://doi.org/10.62986/dp2024.16). In this context, the following points are emphasized:

- Clear and uniform guidelines on LUCs' funding are needed. LGUs typically allocate 5% of the budget, but this may depend on the local chief executive's discretion, which can introduce operational uncertainties.

- Clear guidelines on the conditions under which LUCs may be classified as Local Economic Enterprises (LEEs) are needed. As LEEs, LUCs receive financial support from LGUs only for infrastructure development and are expected to generate their own income to sustain operations. This arrangement poses challenges for many LUCs, given their limited physical and human resources. Some LUCs were considered LEEs since they began receiving funds under the Free Higher Education Law.

- Ensuring an adequate permanent workforce, both teaching and non-teaching personnel, in LUCs is essential. Teachers in LUCs are often hired on a part-time basis, typically as a workaround to the cap on LGUs' personnel services expenditures[2]. This practice makes LUCs less attractive as long-term employment options for qualified teaching professionals.

[2] Per Section 325 of the Local Government Code, the total appropriations, whether annual or supplemental, for personal services of a LGU for one fiscal year shall not exceed 45% in the case of first to third class provinces, cities, and municipalities, and 55% in the case of fourth class or lower, of the total annual income from regular sources realized in the next preceding fiscal year.