



Republic of the Philippines  
OFFICE OF THE PRESIDENT  
COMMISSION ON HIGHER EDUCATION

**CHED MEMORANDUM ORDER**

No. 32  
Series of 2006

**SUBJECT: POLICIES, STANDARDS AND GUIDELINES ON  
THE ESTABLISHMENT AND OPERATION OF  
LOCAL COLLEGES AND UNIVERSITIES**

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In accordance with the pertinent provisions of Republic Act (R.A.) 7722, otherwise known as the "Higher Education Act of 1994", the Commission on Higher Education (CHED) was created in pursuance of the policy of the State to protect, foster and promote the right of all citizens to affordable quality education. Its coverage is stipulated as both public and private institutions of higher education as well as degree-granting programs in all post-secondary educational institutions.

**ARTICLE I  
STATEMENT OF POLICY**

Section 1, Article XIV of the 1987 Philippine Constitution mandates that the State shall protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make education accessible to all. Further, Section 2, Article XIV of the same provides that the State shall establish, maintain and support a complete, adequate and integrated system of education relevant to the needs of the people and society, and that the state shall encourage non-formal, informal and indigenous learning systems, as well as self-learning, independent and out-of-school study programs particularly those that respond to community needs.

Pursuant to Section 8, (h) of RA 7722, the Commission shall have the power and function to:

*"Rationalize programs and institutions of higher learning and set policies, standards and guidelines (PSG) for the creation of new ones as well as the conversion or elevation of schools to institutions of higher learning, subject to budgetary limitations and the number of institutions of higher learning in the province or region wherein creation, conversion or elevation is sought to be made."*

Furthermore Section 8 (m) of the same law provides that the Commission shall have the power and function to review the charters of institutions of higher learning and state universities and colleges including the chairmanship and membership of their governing bodies and recommend appropriate measures as basis of necessary action.

While the creation of Local Colleges and Universities (LCUs) within the Local Government Unit concerned provides access and equitable distribution of opportunities for Filipinos to acquire higher education, there is a need to rationalize the creation or establishment of higher education institutions to address quality and excellence in the areas of school administration, facilities, library and laboratories, curriculum and instruction, research and community service, and faculty and non-teaching personnel development programs.

The Commission recognizes the pertinent provisions of Republic Act 7160 otherwise known as the Local Government Code of 1991 as follows:

*For Municipalities, Article 3, Section 447, par (5)(x) "subject to the availability of funds and to existing laws, rules and regulations, establish and provide for the operation of vocational and technical schools and similar post-secondary institutions and, with the approval of the Department of Education, Culture and Sports, fix and collect reasonable fees and other school charges on said institutions, subject to existing laws on tuition fees;"*

*For Cities, Article 3, Section 458, par (5)(x) "Subject to the availability of funds and to existing laws, rules and regulations, establish and provide for the operation of vocational and technical schools and similar post-secondary institutions and, with the approval of the Department of Education, Culture and Sports and subject to existing laws on tuition fees and other school charges in educational institutions supported by the city government;"*

*For Provinces, Article 3, Section 468, par (4)(iii) "subject to the availability of funds and to existing laws, rules and regulations, provide for the establishment and operation of vocational and technical schools and similar post-secondary institutions; and, with the approval of the Department of Education, Culture and Sports and subject to existing laws on tuition fees, fix reasonable tuition fees and other school charges in educational institutions supported by the provincial government;"*

## **ARTICLE II OBJECTIVES**

These policies, standards and guidelines shall govern the establishment of Local Colleges/Universities (LCUs) by Local Government

Units (LGUs). They provide the minimum standards and guidelines for compliance by Local Government Units proposing to establish and/or operate local higher education institutions.

Compliance to these guidelines shall promote quality and excellence, relevance and responsiveness, efficiency and effectiveness, and access and equity in LCUs with due recognition of their unique institutional identities.

### **ARTICLE III DEFINITION OF TERMS**

**Local College or University** – refers to a public higher education institution established by the LGUs through an enabling ordinance, and financially supported by the concerned local government unit. In Filipino, an LCU is referred to as “Dalubhasaan” for college and “Pamantasan” for university.

**Ordinance** – refers to the enabling act of the Sangguniang Bayan, Panglunsod or Panlalawigan that creates a particular LCU. This serves as the charter of said LCU

**Degree Program** – refers to a collection of all courses in a discipline or a field of study leading to an undergraduate or graduate degree. This may also be referred to as an academic program.

**Non-degree Program** – refers to a post-secondary program below the bachelor/baccalaureate degree.

**Local Government Unit** – refers to Municipalities, Cities and Provincial governments that created or established the LCU.

**College or Dalubhasaan** – is an institution of higher learning offering academic programs and usually pre-professional training leading to a bachelor's/baccalaureate degree.

**University or Pamantasan** – is an institution made up of an undergraduate division that offers bachelor's degrees and a graduate division that comprises a graduate school and professional schools each of which may confer Master's degrees and doctorates. It is an entire socio-physical infrastructure comprised of Schools, Colleges and Institutes offering degree programs in various disciplines and levels.

### **ARTICLE IV COVERAGE**

This CMO shall apply to the following: a) new higher education institutions to be established by LGUs; b) educational institutions

established and operated by LGUs offering non-degree programs but would eventually offer degree programs; c) local colleges proposing elevation to university status and d) existing Local Colleges and Universities.

## **ARTICLE V**

### **ESTABLISHMENT OF HIGHER EDUCATION INSTITUTIONS BY LGUs**

**Section 2.** All LCUs shall be established or created and/or operated through an Ordinance duly enacted for that purpose by the Sanggunian concerned provided that before the enactment of the same an LGU establishing a higher education institution shall consult and coordinate with the CHED Regional Office having jurisdiction of the place where the institution is intended to be established to ensure full compliance with the following requirements for review and notation of the Regional Director:

- a. Feasibility study that shall contain among others the following: need for a local higher education institution in the area, human resources requirements of the industry to determine proposed program offerings, target clients, availability of qualified administrators, faculty and non-teaching personnel and financial capacity of the LGU to establish and sustain the operation of an LCU.
- b. Certification of availability of funds by the treasurer of the LGU concerned as provided by 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 to be offered.
- d. A five-year institutional development plan duly approved by the Sanggunian which shall include but not limited to the following a) annual budgetary allocation; b) Organizational structure and composition of 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.
  - d.1. For purposes of paragraph "c" of the immediately preceding provision, the ALCU Unified Merit System is hereby adapted as an integral part of this CMO.

**Section 3.** An LGU planning to establish a local educational institution shall start as College or "Dalubhasaan" and only after compliance with the provisions of Article V and VII hereof, may apply for elevation to University status.

**Section 4.** There shall be a provision for a regular annual appropriation from the local government unit to support and sustain the operation of the LCU.

**Section 5.** The Governing Board of a college or dalubhasaan shall be its Board of Trustees (BOT) with the following composition: Chairman, Local Chief Executive; Vice-Chairman, President of the college; and seven (7) members composed of, but not limited to, the President of the Faculty Association, President of the Supreme Student Council/Government, President of the Alumni Association, Chairman of the Sanggunian Committee on Education, ALCU representative, Commission on Higher Education with rank not lower than Director and accredited business or industry sector. The CHED, ALCU, and accredited business or industry representatives shall be appointed by the Board for a specific term provided, that the representatives of the faculty, student body and alumni are co-terminus with their respective terms of office.

**Section 6.** The governing boards shall promulgate policies in accordance with the declared state policies on higher education as well as the policies, standards and thrusts of the CHED under Republic Act No. 7722 and other pertinent laws.

**Section 7.** The administration of the Local College shall be vested in the President who shall render full-time service. The Board of Trustees upon the recommendation of a duly constituted search committee shall appoint him/her. He/she shall have a term of four (4) years and shall be eligible for reappointment for another term only. The president shall hold an appropriate earned doctoral degree with at least five (5) years of relevant administrative experience. The Vice-President(s), Dean(s), Directors, Registrar, Administrative Officer, Accountants, faculty, non-teaching personnel and other officials shall be appointed by the President subject to the confirmation of the Board; provided that the Vice-President for Academic Affairs must be a holder of an earned doctoral degree; provided further that their appointments shall be pursuant to existing Civil Service laws, rules and regulations.

**Section 8.** The Search Committee for President (SCP) shall have five (5) members to be appointed by the Governing Board with a member each representing the Civil Service Commission (CSC), Academe, business or industry sector, Association of Local Colleges and Universities (ALCU) and the Commission on Higher Education (CHED). They shall elect a Chairman and Vice-Chairman from among themselves. Six (6) months before the expiration of the incumbent president, the Governing Board shall appoint a Search Committee for President.

**ARTICLE VI  
OFFERING OF DEGREE PROGRAM(S) BY LOCAL EDUCATIONAL  
INSTITUTIONS ORIGINALLY ESTABLISHED TO OFFER NON-DEGREE  
PROGRAM(S)**

**Section 9.** Any local educational institution originally established to offer non-degree programs but is now proposing to offer degree programs shall conform with this CMO.

**ARTICLE VII  
ELEVATION OF LOCAL COLLEGE TO UNIVERSITY STATUS**

**Section 10.** All Local Colleges aspiring to become a university shall comply with the following:

- a. a four-year program in /Arts and Sciences (AB/BS) with at least level II accreditation by Association of Local Colleges and Universities Commission on Accreditation (ALCUCOA) or by other CHED recognized accrediting bodies;
- b. a minimum of four (4) other undergraduate programs with at least level II accreditation by ALCUCOA or by other CHED recognized accrediting bodies, three (3) of which are professional programs or requiring licensure examinations;
- c. at least two (2) graduate-level programs leading to master's and doctoral degrees;
- d. average passing rate for the immediate past three (3) years in all its professional programs is not lower the national passing rate;
- e. excellence in the areas of instruction, research and extension and publication of research journal both local and international including refereed journal;
- f. research program is manned by qualified and competent personnel
- g. substantial evidence of strength in the Arts, Sciences, Humanities and Social Science components of each undergraduate course or discipline and preferably accredited;
- h. creditable community extension service program; and
- i. Compliance with faculty requirements of at least 20% with doctoral degrees, 35% with masteral degrees in their respective

areas of specialization. Provided that at least 70% of all faculty members are on full-time status. Provided further that at least 50% of the faculty in Arts and Sciences must be on full-time status.

**Section 11.** The proposal for elevation to University status shall be submitted to the Office of Programs and Standards (OPS), CHED Central Office, through the CHED Regional Office for review. Only the Commission en banc may grant the University status upon compliance with the requirements.

**Section 12.** The Governing Board of the University or Pamantasan shall be its Board of Regents (BOR) which shall be composed of the following: Chairman, Local Chief Executive, Vice-Chairman, President of the University and nine (9) members composed of but not limited to the President of Faculty Association, President of the Supreme Student Council/Government, President of the Alumni Association, Chairman of the Sanggunian Committee on Education, and a representative from each of the following: two (2) representatives from accredited NGOs preferably from business or industry sector, Commission on Higher Education (CHED), ALCU and Department of Science and Technology (DOST) provided that the representatives of the faculty, student body and alumni Association are co-terminus with their respective terms of office. Provided further, that the CHED and DOST representatives shall hold the rank not lower than Director.

**Section 13.** The Board of Regents shall promulgate policies in accordance with the declared state policies on higher education as well as the policies, standards and thrusts of the CHED under Republic Act No. 7722 and other pertinent laws.

**Section 14.** The administration of the University or Pamantasan shall be vested in the President of the University who shall render full-time service to implement policies promulgated by the BOR. He/She shall be appointed by the Board of Regents upon the recommendation of a duly constituted search committee. He/She shall have a term of four (4) years and shall be eligible for reappointment for another term only unless otherwise provided for in the Ordinance creating the LCU. The president shall hold an appropriate earned doctoral degree with at least five (5) years of relevant administrative experience. The Vice-President(s), Deans, Directors, Registrar, Administrative Officer, Accountant, faculty and non-teaching personnel shall be appointed by the president subject to the confirmation of the Board; Provided that the Vice-President for Academic Affairs must be a holder of an earned doctoral degree; provided further that their appointments shall be pursuant to existing Civil Service laws, rules and regulations.

**Section 15.** The Search Committee for President (SCP) shall have five (5) members to be appointed by the Board of Regents with members each representing the academe, Civil Service Commission (CSC), CHED, Association of Local Colleges and Universities (ALCU), and an accredited NGO preferably from business or industry sector. They shall elect a Chairman and Vice-Chairman from among themselves. Six (6) months before the expiration of the term of office of the incumbent president.

**Section 16.** All existing local HEIs must comply with the requirements of this CMO within eight (8) years from effectivity hereof. The Commission shall grant full university status upon application of the local college and only upon full compliance of this CMO.

### **ARTICLE VIII EXCLUSION CLAUSE**

**Section 17.** This CMO shall apply to all Local Colleges and Universities duly created by their Ordinances enacted for that purpose except for the Pamantasan ng Lungsod ng Maynila (PLM) which was created by virtue of RA 4196. However, in so far as faculty qualification, curriculum and instruction, and facilities are concerned, PLM shall be governed by this CMO and other CHED issuances.

### **ARTICLE IX REPEALING CLAUSE**

**Section 18.** Any and all CHED issuances, which are contrary to or inconsistent with any of the provisions herein, are hereby deemed repealed.

### **ARTICLE X SEPARABILITY CLAUSE**

**Section 19.** If any part or provision of this CMO shall be held invalid or illegal by competent authority, other provisions thereof, which are not affected thereby, shall continue to be in full force and effect



**ARTICLE X  
EFFECTIVITY**

**Section 20.** This CMO shall take effect immediately upon approval by the Commission and after its publication in the official gazette or newspaper of general circulation.

Signed this 6th day of July, 2006 in the City of Pasig, Philippines.



**CARLITO S. PUNO, DPA**  
Chairman