

BATAS PAMBANSA BLG. 232

AN ACT PROVIDING FOR THE ESTABLISHMENT AND MAINTENANCE OF AN INTEGRATED SYSTEM OF EDUCATION.

Be it enacted by the Batasang Pambansa in session assembled:

I. GENERAL PROVISIONS

Chapter 1 PRELIMINARY MATTERS

SECTION. 1. *Title.*—This Act shall be known as the "Education Act of 1982."

SEC. 2. *Coverage.*—This Act shall apply to and govern both formal and non-formal systems in public and private schools in all levels of the entire educational system.

Chapter 2 DECLARATION OF BASIC STATE POLICY AND OBJECTIVES

SEC. 3. *Declaration of Basic Policy.*—It is the policy of the State to establish and maintain a complete, adequate and integrated system of education relevant to the goals of national development. Toward this end, the government shall ensure, within the context of a free and democratic system, maximum contribution of the educational system to the attainment of the following national developmental goals:

1. To achieve and maintain an accelerating rate of economic development and social progress;
2. To assure the maximum participation of all the people in the attainment and enjoyment of the benefits of such growth; and

3. To achieve and strengthen national unity and consciousness and preserve, develop and promote desirable cultural, moral and spiritual values in a changing world.

The State shall promote the right of every individual to relevant quality education, regardless of sex, age, creed, socio-economic status, physical and mental conditions, racial or ethnic origin, political or other affiliation. The State shall therefore promote and maintain equality of access to education as well as the enjoyment of the benefits of education by all its citizens.

The State shall promote the right of the nation's cultural communities in the exercise of their right to develop themselves within the context of their cultures, customs, traditions, interests and belief, and recognizes education as an instrument for their maximum participation in national development and in ensuring their involvement in achieving national unity.

SEC. 4. Declaration of Objectives.—The educational system aim to:

1. Provide for a broad general education that will assist each individual in the peculiar ecology of his own society, to (a) attain his potentials as a human being; (b) enhance the range and quality of individual and group participation in the basic functions of society; and (c) acquire the essential educational foundation of his development into a productive and versatile citizen;

2. Train the nation's manpower in the middle—level skills required for national development;

3. Develop the professions that will provide leadership for the nation in the advancement of knowledge for improving the quality of human life; and

4. Respond effectively to changing needs and conditions of the nation through a system of educational planning and evaluation.

Towards the realization of these objectives, and pursuant to the Constitution, all educational institutions shall aim to inculcate love of country, teach the duties of citizenship, and develop moral character, personal discipline, and scientific, technological, and vocational efficiency.

Furthermore, the educational system shall reach out to educationally deprived communities, in order to give meaningful reality to their membership in the national society, to enrich their civic participation in the community and national life, and to unify all Filipinos into a free and just nation.

II. THE EDUCATIONAL COMMUNITY

Chapter 1 PRELIMINARY PROVISIONS

SEC. 5. Declaration of Policy and Objectives.—It is likewise declared government policy to foster, at all times, a spirit of shared purposes and cooperation among the members and elements of the educational community, and between the community and other sectors of society, in the realization that only in such an atmosphere can be true goals and objectives of education be fulfilled.

Moreover, the State shall:

1. Aid and support the natural right and duty of parents in the rearing of the youth through the educational system.
2. Promote and safeguard the welfare and interests of the students by defining their rights and obligations, according them privileges, and encouraging the establishment of sound relationships between them and the other members of the school community.
3. Promote the social and economic status of all school personnel, uphold their rights, define their obligations, and improve their living and working conditions and career prospects.
4. Extend support to promote the viability of those institutions through which parents, students and school personnel seek to attain their educational goals.

SEC. 6. Definition and Coverage.—"Educational community" refers to those persons or groups of persons as such, or associated in institutions involved in organized teaching and learning systems.

The members and elements of the educational community are:

1. "Parents" or guardians or the head of the institution or foster home which has custody of the pupil or student.
2. "Students," or those enrolled in and who regularly attend and educational institution of secondary or higher level or a person engaged in formal study. "Pupils" are those who regularly attend a school of elementary level under the supervision and tutelage of a teacher.
- 3 "School personnel," or all persons working for an educational institution, which includes the following:
 - a. "Teaching or academic staff," or all persons engaged in actual teaching and/or research assignments, either on full-time or part-time basis, in all levels of the educational system.
 - b. "School administrators," or all persons occupying policy implementing positions having to do with the functions of the school in all levels.
 - c. "Academic non-teaching personnel," or those persons holding some academic qualifications and performing academic functions directly

supportive of teaching, such as registrars, librarians, guidance counsellors, researchers, research assistants, research aides, and similar staff.

d. "Non-academic personnel," or all other school personnel not falling under the definition and coverage of teaching and academic staff, school administrators and academic non-teaching personnel.

4. "Schools," or institutions recognized by the State which undertake educational operations.

SEC. 7. *Community Participation.*—Every educational institution shall provide for the establishment of appropriate bodies through which the members of the educational community may discuss relevant issues, and communicate information and suggestions for assistance and support of the school and for the promotion of their common interest.

Representatives from each subgroup of the educational community shall sit and participate in these bodies, the rules and procedures of which must be approved by them and duly published.

Chapter 2 RIGHTS

SEC. 8. *Rights of Parents.*—In addition to other rights under existing laws, all parents who have children enrolled in a school have the following rights:

1. The right to organize by themselves and/or with teachers for the purpose of providing a forum for the discussion of matters relating to the total school program, and for ensuring the full cooperation of parents and teachers in the formulation and efficient implementation of such programs.

2. The right to access to any official record directly relating to the children who are under their parental responsibility.

SEC. 9. *Right of Students in School.*—In addition to other rights, and subject to the limitations prescribed by law and regulations, and students and pupils in all schools shall enjoy the following rights:

1. The right to receive, primarily through competent instruction, relevant quality education in line with national goals and conducive to their full development as persons with human dignity.

2. The right to freely chose their field of study subject to existing curricula and to continue their course therein up to graduation, except in cases of academic deficiency, or violation of disciplinary regulations.

3. The right to school guidance and counseling services for making decisions and selecting the alternatives in fields of work suited to his potentialities.

4. The right of access to his own school records, the confidentiality of which the school shall maintain and preserve.

5. The right to the issuance of official certificates, diplomas, transcript of records, grades, transfer credentials and other similar documents within thirty days from request.

6. The right to publish a student newspaper and similar publications, as well as the right to invite resource persons during assemblies, symposia and other activities of similar nature.

7. The right to free expression of opinions and suggestions, and to effective channels of communication with appropriate academic and administrative bodies of the school or institution.

8. The right to form, establish, join and participate in organizations and societies recognized by the school to foster their intellectual, cultural, spiritual and physical growth and development, or to form, establish, join and maintain organizations and societies for purposes not contrary to law.

9. The right to be free from involuntary contributions, except those approved by their own organizations or societies.

SEC. 10. *Rights of all School Personnel.*—In addition to other rights provided for by law, the following rights shall be enjoyed by all school personnel:

1. The right to free expression of opinion and suggestions, and to effective channels of communication with appropriate academic and administrative bodies of the school or institution.

2. The right to be provided with free legal service by the appropriate government office in the case of public school personnel, and through the school authorities concerned in the case of private school personnel, when charged in an administrative, civil and/or criminal proceedings by parties other than the school or regulatory authorities concerned for actions committed directly in the lawful discharge of professional duties and/or in defense of school policies.

3. The right to establish, join and maintain labor organizations and/or professional and self-regulating organizations of their choice to promote their welfare and defend their interests.

4. The right to be free from involuntary contributions except those imposed by their own organizations.

SEC. 11. *Special Rights and/or Privileges of Teaching or Academic Staff.*—Further to the rights mentioned in the preceding section, every member of the teaching or academic staff shall enjoy the following rights and/or privileges:

1. The right to be free from compulsory assignments not related to their duties as defined in their appointments or employment contracts, unless compensated therefor, conformably to existing law.

2. The right to intellectual property consistent with applicable laws.

3. Teachers shall be deemed persons in authority when in the discharge of lawful duties and responsibilities, and shall, therefore, be accorded due respect and protection.

4. Teachers shall be accorded the opportunity to choose alternative career lines either in school administration, in classroom teaching, or others, for purposes of career advancement.

SEC. 12. *Special Rights of School Administrators.*—School administrators shall, in accordance with existing laws, regulations and policies of the Ministry of Education, Culture and Sports, be accorded sufficient administrative discretion necessary for the efficient and effective performance of their functions.

School administrators shall be deemed persons in authority while in the discharge of lawful duties and responsibilities, and shall therefore be accorded due respect and protection.

SEC. 13. *Rights of Schools.*—In addition to other rights provided for by law, schools shall enjoy the following:

1. The right of their governing boards or lawful authorities to provide for the proper governance of the school and to adopt and enforce administrative or management systems.

2. The right for institutions of higher learning to determine on academic grounds who shall be admitted to study, who may teach, and what shall be subjects of the study and research.

Chapter 3 DUTIES AND OBLIGATIONS

SEC. 14. *Duties of Parents.*—In addition to those provided for under existing laws, all parents shall have the following duties and obligations:

1. Parents, individually or collectively, through the school systems, shall help carry out the educational objectives in accordance with national goals.

2. Parents shall be obliged to enable their children to obtain elementary education and shall strive to enable them to obtain secondary and higher education in the pursuance of the right formation of the youth.

3. Parents shall cooperate with the school in the implementation of the school program curricular and co-curricular.

SEC. 15. *Duties and Responsibilities of Students.*—In addition to those provided for under existing laws, every student shall:

1. Exert his utmost to develop his potentialities for service, particularly by undergoing an education suited to his abilities, in order that he may become an asset to his family and to society.

2. Uphold the academic integrity of the school, endeavor to achieve academic excellence and abide by the rules and regulations governing his academic responsibilities and moral integrity.

3. Promote and maintain the peace and tranquility of the school by observing the rules and discipline, and by exerting efforts to attain harmonious relationships with fellow students, the teaching and academic staff and other school personnel.

4. Participate actively in civic affairs and in the promotion of the general welfare, particularly in the social, economic and cultural development of his community and in the attainment of a just, compassionate and orderly society.

5. Exercise his rights responsibly in the knowledge that he is answerable for any infringement or violation of the public welfare and of the rights of others.

SEC. 16. *Teachers' Obligations.*—Every teacher shall:

1. Perform his duties to the school by discharging his responsibilities in accordance with the philosophy, goals, and objectives of the school.

2. Be accountable for the efficient and effective attainment of specified learning objectives in pursuance of national development goals within the limits of available school resources.

3. Render regular reports on performance of each student and to the latter and the latter's parents and guardians with specific suggestions for improvement.

4. Assume the responsibility to maintain and sustain his professional growth and advancement and maintain professionalism in his behavior at all times.

5. Refrain from making deductions in students' scholastic ratings for acts that are clearly not manifestations of poor scholarship.

6. Participate as an agent of constructive social, economic, moral, intellectual, cultural and political change in his school and the community within the context of national policies.

SEC. 17. *School Administrators' Obligations.*—Every school administrator shall:

1. Perform his duties to the school by discharging his responsibilities in accordance with the philosophy, goals and objectives of the school.

2. Be accountable for the efficient and effective administration and management of the school.

3. Develop and maintain a healthy school atmosphere conducive to the promotion and preservation of academic freedom and effective teaching and learning, and to harmonious and progressive school-personnel relationship.

4. Assume and maintain professional behavior in his work and in dealing with students, teachers, academic non-teaching personnel, administrative staff, and parents or guardians.

5. Render adequate reports to teachers, academic non-teaching personnel and non-academic staff on their actual performance in relation to their expected performance and counsel them on ways of improving the same.

6. Observe due process, fairness, promptness, privacy, constructiveness and consistency in disciplining his teachers and other personnel.

7. Maintain adequate records and submit required reports to the Ministry of Education, Culture and Sports.

SEC. 18. *Obligations of Academic Non—Teaching Personnel.*—Academic non-teaching personnel shall:

1. Improve himself professionally by keeping abreast of the latest trends and techniques in his profession.

2. Assume, promote and maintain a professional attitude towards his work, students, teachers, administrators and administrative staff and relate with them in a supportive and cordial manner.

3. Promote and maintain an atmosphere conducive to service and learning.

III. THE EDUCATIONAL SYSTEMS

Chapter 1 FORMAL EDUCATION

SEC. 19. *Declaration of Policy.*—The State recognizes that formal education, or the school system, is society's primary learning system, and therefore the main instrument for the achievement of the country's educational goals and objectives.

SEC. 20. *Definition.*—"Formal Education" refers to the hierarchically structured and chronologically graded learning organized and provided by the formal school system and for which certification is required in order for the learner to progress through the grades or move to higher levels. Formal education shall correspond to the following levels:

1. Elementary Education—the first stage of compulsory, formal education primarily concerned with providing basic education and usually corresponding to six or seven grades, including pre-school programs.

2. Secondary Education—the state of formal education following the elementary level concerned primarily with continuing basic education and expanding it to include the learning of employable gainful skills, usually corresponding to four years of high school.

3. Tertiary Education—post-secondary schooling is higher education leading to a degree in a specific profession or discipline.

SEC. 21. Objectives of Elementary Education.—The objectives of elementary education are:

1. To provide the knowledge and develop the skills, attitudes, and values essential to personal development and necessary for living in and contributing to a developing and changing social milieu;
2. To provide learning experiences which increase the child's awareness of and responsiveness to the changes in and just demands of society and to prepare him for constructive and effective involvement;
3. To promote and intensify the child's knowledge of, identification with, and love for the nation and the people to which he belongs; and
4. To promote work experiences which develop the child's orientation to the world of work and creativity and prepare himself to engage in honest and gainful work.

SEC. 22. Objectives of Secondary Education.—The objectives of secondary education are:

1. To continue to promote the objectives of elementary education; and
2. To discover and enhance the different aptitudes and interests of the student so as to equip him with skills for productive endeavor and/or prepare him for tertiary schooling.

SEC. 23. Objectives of Tertiary Education.—The objectives of tertiary education are:

1. To provide a general education program that will promote national identity, cultural consciousness, moral integrity and spiritual vigor;
2. To train the nation's manpower in the skills required for national development;
3. To develop the professions that will provide leadership for the nation; and
4. To advance knowledge through research work and apply new knowledge for improving the quality of human life and responding effectively to changing societal needs and conditions.

Chapter 2

NON—FORMAL EDUCATION AND SPECIALIZED EDUCATIONAL SERVICES

SEC. 24. Specialized Educational Service.—The State further recognizes its responsibility to provide, within the context of the formal education system, services to meet special needs of certain clientele. These specific types, which shall be guided by the basic policies of the State embodied in the General Provisions of this Act, include:

1. "Work Education," or "Practical Arts," as a program of basic education which aims to develop the right attitudes towards work; and "technical-vocational education," post-secondary but non-degree programs leading to one, two, or three-year certificates in preparation for a group of middle-level occupations.

2. "Special Education," the education of persons who are physically, mentally, emotionally, socially, or culturally different from the so-called "normal" individuals that they require modification of school practices/services to develop them to their maximum capacity; and

3. "Non-formal Education," any organized school-based educational activities undertaken by the Ministry of Education, Culture and Sports and other agencies aimed at attaining specific learning objectives for a particular clientele, especially the illiterates and the out-of-school youth and adults, distinct from and outside the regular offerings of the formal school system.

The objectives of non-formal education are as follows:

a. To eradicate illiteracy and raise the level of functional literacy of the population;

b. To provide unemployed and underemployed youth and adults with appropriate vocational/technical skills to enable them to become more productive and effective citizens; and

c. To develop among the clientele of non-formal education proper values and attitudes necessary for personal, community and national development.

Chapter 3 **ESTABLISHMENT OF SCHOOLS**

SEC. 25. *Establishment of Schools.*—All schools shall be established in accordance with law. The establishment of new national schools and the conversion of existing schools from elementary to national secondary or from secondary to national secondary or tertiary schools shall be by law: *Provided*, that any private school proposed to be established must incorporate as a non-stock educational corporation in accordance with the provisions of the Corporation Code of the Philippines. This requirement to incorporate may be waived in the case of family-administered pre-school institutions.

Government assistance to such schools for educational programs shall be used exclusively for that purpose.

SEC. 26. *Definition of Terms.*—The terms used in this Chapter are defined as follows:

1. "Schools" are duly established institutions of learning or educational institutions.

2. "Public Schools" are educational institutions established and administered by the government.

3. "Private Schools" are educational institutions maintained and administered by private individuals or groups.

SEC. 27. Recognition of Schools.—The educational operations of schools shall be subject to their prior authorization of the government, and shall be affected by recognition. In the case of government operated schools, whether local, regional, or national, recognition of educational programs and/or operations shall be deemed granted simultaneously with establishment.

In all other case the rules and regulations governing recognition shall be prescribed and enforced by the Ministry of Education, Culture and Sports defining therein who are qualified to apply, providing for a permit system, stating the conditions for the grant of recognition and for its cancellation and withdrawal, and providing for related matters.

SEC. 28. Effects of Recognition; Punishable Violations.—The issuance of a certificate of recognition to a school shall have the following effects:

1. It transforms the temporary permit to a permanent authority to operate;
2. It entitles the school or college to give the students who have completed the course for which recognition is granted, a certificate, title or diploma; and
3. It shall entitle the students who have graduated from said recognized course or courses to all the benefits and privileges enjoyed by graduates in similar courses of studies in all schools recognized by the government.

Operation of schools and educational programs without authorization, and/or operation thereof in violation of the terms of recognition, are hereby declared punishable violations subject to the penalties provided in this Act.

SEC. 29. Voluntary Accreditation.—The Ministry shall encourage programs of voluntary accreditation for institutions which desire to meet standards of quality over and above minimum required for State recognition.

Chapter 4

INTERNAL ORGANIZATION OF SCHOOL

SEC. 30. Organization of Schools.—Each school shall establish such internal organization as will best enable it to carry out its academic and administrative functions, subject to limitations provided by law.

Each school establish such arrangements for the peaceful settlement of disputes between or among the members of the educational community.

SEC. 31. Governing Board.—Every government college or university as a tertiary institution and every private school shall have a governing board

pursuant to its charter or the Corporation Code of the Philippines, as the case may be.

SEC. 32. *Personnel Transactions.*—The terms and conditions of employment of personnel in government schools shall be governed by the Civil Service, budgetary and compensation laws and rules.

In private schools, dispute arising from employer-employee relations shall fall under the jurisdiction of the Ministry of Labor and Employment as provided for by law and regulations: *Provided*, That in view of the special employment status of the teaching and academic non-teaching personnel, and their special roles in the advancement of knowledge, standards set or promulgated jointly by the Ministry of Education, Culture and Sports and by the Ministry of Labor and Employment shall be applied by the Ministry of Labor and Employment: *Provided, further*, That every private school shall establish and implement an appropriate system within the school for the prompt and orderly settlement of provisions of Articles 262 and 263 of the Labor Code.

Chapter 5 SCHOOL FINANCE AND ASSISTANCE

SEC. 33. *Declaration of Policy.*—It is hereby declared to be the policy of the State that the national government shall contribute to the financial support of educational programs pursuant to the goals of education as declared in the Constitution. Towards this end, the government shall:

1. Adopt measures to broaden access to education through financial assistance and other forms of incentives to schools, teachers, pupils and students; and
2. Encourage and stimulate private support to education through, *inter alia*, fiscal and other assistance measures.

A. FUNDING OF PUBLIC SCHOOLS

SEC. 34. *National Funds.*—Public schools shall continue to be funded primarily from national funds: *Provided*, That local governments shall be encouraged to assume operation of local public schools on the basis of national fund participation and adequate revenue sources which may be assigned by the national government for the purpose.

SEC. 35. *Financial Aid and Assistance to Public Secondary Schools.*—The national government shall extend financial aid and assistance to public secondary schools established and maintained by local governments, including barangay high schools.

SEC. 36. *Share of Local Government.*—Provinces, cities and municipalities and barangays shall appropriate funds in their annual budgets for the operation and maintenance of public secondary schools on the basis of national fund participation.

SEC. 37. *Special Education Fund.*—The proceeds of the Special Education Fund accruing to local governments shall be used exclusively for the purposes enumerated in Section 1 of Republic Act No. 5447, and in accordance with rules and regulations issued by the Ministry of Education, Culture and Sports and the Ministry of the Budget. Said proceeds shall be considered a local fund and shall be subject to Presidential Decrees No. 477, Presidential Decree No. 1375 and other applicable local budget laws and regulations.

SEC. 38. *Tuition and other School Fees.*—Secondary and post-secondary schools may charge tuition and other school fees, in order to improve facilities or to accommodate more students.

SEC. 39. *Income from other Sources.*—Government-supported educational institutions may receive grants, legacies, donations and gifts for purposes allowed by existing laws.

Furthermore, income generated from production activities and from auxiliary enterprises may be retained and used for schools concerned in accordance with rules and regulations jointly issued consistently with pertinent appropriation and budgetary laws by the Ministry of the Budget, the Ministry of Education, Culture and Sports and the Commission on Audit.

B. FUNDING OF PRIVATE SCHOOLS

SEC. 40. *Funding of Private Schools.*—Private schools may be funded from their capital investments or equity contributions, tuition fees and other school charges, grants, loans, subsidies, passive investment income and income from other sources.

SEC. 41. *Government Assistance.*—The government, in recognition of their complementary role in the educational system, may provide aid to the programs of private schools in the form of grants or scholarships, or loans from government financial institutions: *Provided*, That such programs meet certain defined educational requirements and standards and contribute to the attainment of national development goals.

SEC. 42. *Tuition and Other Fees.*—Each private school shall determine its rate of tuition and other school fees or charges. The rates and charges adopted by schools pursuant to this provision shall be collectible, and their application or use authorized, subject to rules and regulations promulgated by the Ministry of Education, Culture and Sports.

SEC. 43. *Income from Other Sources.*—Any private school duly recognized by the government, may receive any grant and legacy, donation, gift, bequest or devise from any individual, institution, corporation, foundation, trust or philanthropic organization, or research institution or organization as may be authorized by law.

Furthermore, private schools are authorized to engage in any auxiliary enterprise to generate income primarily to finance their educational operations and/or to reduce the need to increase students' fees.

SEC. 44. *Institutional Funds.*—The proceeds from tuition fees and other school charges, as well as other income of schools, shall be treated as institutional funds. Schools may pool their institutional funds, in whole or in part, under joint management for the purpose of generating additional financial resources.

C. INCENTIVES TO EDUCATION

SEC. 45. *Declaration of Policy.*—It is the policy of the State in the pursuit of its national education development goals to provide an incentive program to encourage the participation of the community in the development of the educational sector.

SEC. 46. *Relating to School Property.*—Real property, such as lands, buildings and other improvements thereon used actually, directly and exclusively for educational purposes shall be subject to the real property tax based on an assessment of fifteen percent of the market value of such property: *Provided*, That all the proceeds from the payment thereof shall accrue to a special private education fund which shall be managed and disbursed by a local private school board which shall be constituted in each municipality or chartered city with private educational institutions with the mayor or his representative as chairman and not more than two representatives of the institutional taxpayers, and, likewise, not more than two residents of the municipality or chartered city who are alumni of any of the institutional taxpayers as members: *Provided, further*, That fifty percent of the additional one percent tax on real estate property provided for under Republic Act 5447, shall accrue to the special private education fund: *Provided, finally*, That in municipalities or chartered cities wherein the number of private institutions with individual enrollment of pupils and students over five thousand exceeds fifteen, the members of the private school board shall be increased to not more than fourteen members determined proportionately by the Minister of Education, Culture and Sports. The private school board shall adopt its own rules which shall enable it to finance the annual programs and projects of each institutional taxpayer for the following purposes; student-pupil scholarships; improvement of instructional, including laboratory,

facilities and/or equipment; library books and periodicals acquisition; and extension service in the community, in that order of priority.

SEC. 47. *Relating to Gifts or Donations to Schools.*—All gifts or donations in favor of any school, college or university recognized by the Government shall not be subject to tax; *Provided*, That such gifts or donations shall be for improvement of classrooms and laboratory or library facilities, and shall not inure to the benefit of any officer, director, official, or owner or owners of the school, or paid out as salary, adjustments or allowance of any form or nature whatsoever, except in support of faculty and/or professorial chairs.

SEC. 48. *Relating to Earnings from Established Scholarship Funds.*—All earnings from the investment of any duly established scholarship fund of any school recognized by the government, constituted from gifts to the school, and/or from contributions or other resources assigned to said fund by the school, if said earnings are actually used to fund additional scholarship grants to financially deserving students shall be exempt from tax until the scholarship fund is fully liquidated, when the outstanding balance thereof shall be subject to tax.

SEC. 49. *School Dispersal Program.*—All gains realized from the sale, disposition or transfer of property, real or personal, of any duly established private school, college or university, in pursuance of a school dispersal program of the government or of the educational institution as approved by the government, shall be considered exempt from tax if the total proceeds of the sale are reinvested in a new or existing duly established school, college, or university located in the dispersal site, within one (1) year from the date of such sale, transfer or disposition; otherwise, all taxes due on the gains realized from the transaction shall immediately become due and payable.

SEC. 50. *Conversion to Educational Foundations.*—An educational institution may convert itself into a non-stock, non-profit educational foundation, in accordance with the implementing rules to be issued jointly by the Ministry of Education, Culture and Sports and the Ministry of Finance.

In the case of stock corporations, if for any reason its corporate existence as an educational institution ceases and is not renewed, all its net assets after liquidation of the liabilities and other obligations may be conveyed and transferred to any non-profit educational institution or successor non-profit educational institution or to be distributed by a court to another organization to be used in such manner as in the judgment of said court will best accomplish the general purposes for which the dissolved organization was organized, or to the State.

D. ASSISTANCE TO STUDENTS

SEC. 51. *Government Assistance to Students.*—The government shall provide financial assistance to financially disadvantaged and deserving students. Such assistance may be in the form of State scholarships, grants-in-aid, assistance from the Educational Loan Fund, or subsidized tuition rates in State colleges and universities.

All the above and similar assistance programs shall provide for reserve quotas for financially needed but academically qualified students from the national cultural communities.

SEC. 52. *Grant of Scholarship Pursuant to Existing Laws.*—Educational institutions shall be encouraged to grant scholarships to students pursuant to the provisions of existing laws and such scholarship measures as may hereafter be provided for by law.

SEC. 53. *Assistance from the Private Sector.*—The private sector, especially educational institutions, business and industry, shall be encouraged to grant financial assistance to students, especially those undertaking research in the fields of science and technology or in such projects as may be necessary within the context of national development.

IV. THE MINISTRY OF EDUCATION, CULTURE AND SPORTS

Chapter1 GENERAL PROVISIONS

SEC. 54. *Declaration of Policy.*—The administration of the education system and, pursuant to the provisions of the Constitution, the supervision and regulation of educational institutions are hereby vested in the Ministry of Education, Culture and Sports, without prejudice to the provisions of the charter of any state college and university.

SEC. 55. *Organization.*—The Ministry shall be headed by the Minister of Education, Culture and Sports who shall be assisted by one or more Deputy Ministers.

The organization of the Ministry shall consist of (a) the Ministry Proper composed of the immediate Office of the Minister, and the Services of the Ministry, (b) the Board of Higher Education, which is hereby established, (c) the Bureau of Elementary Education, the Bureau of Secondary Education, the Bureau of Higher Education, the Bureau of Technical and Vocational Education, and the Bureau of Continuing Education, which are hereby established, (d) Regional offices and field offices, (e) the National Scholarship Center and such

other agencies as are now or may be established pursuant to law, and (f) the cultural agencies, namely: the National Library, the National Historical Institute, the National Museum, and the Institute of National Language. Such of the above offices as are created or authorized to be established under this provision, shall be organized and staffed and shall function, subject to the approval of the President, upon recommendation of the Minister of Education, Culture and Sports in consultation with the Presidential Commission on Reorganization.

SEC. 56. The National Board of Education is hereby abolished, and its appropriations, personnel, records, and equipment are hereby transferred to the Office of the Minister of Education, Culture and Sports.

SEC. 57. *Functions and Powers of the Ministry.*—The Ministry shall:

1. Formulate general education objectives and policies, and adopt long-range educational plans;
2. Plan, develop and implement programs and projects in education and culture;
3. Promulgate rules and regulations necessary for the administration, supervision and regulation of the educational system in accordance with declared policy;
4. Set up general objectives for the school system;
5. Coordinate the activities and functions of the school system and the various cultural agencies under it;
6. Coordinate and work with agencies concerned with the educational and cultural development of the national cultural communities; and
7. Recommend and study legislation proposed for adoption.

SEC. 58. *Report to the Batasang Pambansa.*—The Minister of Education, Culture and Sports shall make an annual report to the Batasang Pambansa on the implementation of the national basic education plan, the current condition of the education sector, the effectiveness of the education programs, the adequacy or deficiency of the appropriations and status of expenditures, the impact of education on the different regions, the growth of enrollment, the adequacy of academic facilities, the concentration of low income groups, or the supply of teaching and non-teaching personnel, with such comments and appropriate recommendations thirty (30) days before the opening of its regular session.

Chapter 2

BOARD OF HIGHER EDUCATION

SEC. 59. *Declaration of Policy.*—Higher education will be geared towards the provision of better quality education, the development of middle and high-level manpower, and the intensification of research and extension services. The main thrust of higher education is to achieve equity, efficiency, and high quality in the institutions of higher learning both public and private, so that together they

will provide a complete set of program offerings that meet both national and regional development needs.

SEC. 60. *Organization of the Board of Higher Education.*—The Board of Higher Education is reconstituted as an advisory body to the Minister of Education, Culture and Sports. The Board shall be composed of a Deputy Minister of Education, Culture and Sports designated as Chairman and four other members to be appointed by the President of the Philippines upon nomination by the Minister of Education, Culture and Sports for a term of four years. The four members shall have distinguished themselves in the field of higher education and development either in the public or private sector. In the initial appointment of the non-ex officio members, the first appointee shall serve for a term of four years; the second for a term of three years; the third for a term of two years; and the fourth for a term of one year. The Director of the Bureau of Higher Education shall participate in the deliberation of the Board but without the right to vote. The Bureau of Higher Education shall provide the Board with the necessary technical and staff support: *Provided*, That the Board may create technical panels of experts in the various disciplines as the need arises.

SEC. 61. *Functions of the Board of Higher Education.*—The Board shall:

1. Make policy recommendations regarding the planning and management of the integrated system of higher education and the continuing evaluation thereof.
2. Recommend to the Minister of Education, Culture and Sports steps to improve the governance of the various components of the higher education system at national and regional levels.
3. Assist the Minister of Education, Culture and Sports in making recommendation relative to the generation of resources and their allocation for higher education.

Chapter 3 THE BUREAUS

SEC. 62. *Bureau of Elementary Education.*—The Bureau shall perform the following functions:

1. Conduct studies and formulate, develop, and evaluate programs and educational standards for elementary education;
2. Undertake studies necessary for the preparation of prototype curricular designs, instructional materials, and teacher training programs for elementary education; and
3. Formulate guidelines to improve elementary school physical plants and equipment, and general management of these schools.

SEC. 63. Bureau of Secondary Education.—The Bureau shall perform the following functions:

1. Conduct studies and formulate, develop and evaluate programs and educational standards for secondary education;
2. Develop curricular designs, prepare instructional materials, and prepare and evaluate programs to upgrade the quality of the teaching and non-teaching staff at the secondary level;
3. Formulate guidelines to improve the secondary school physical plants and equipment, and general management of these schools.

SEC. 64. Bureau of Technical and Vocational Education.—The Bureau shall perform the following:

1. Collaborate with other agencies in the formulation of manpower plans;
2. Conduct studies, formulate, develop and evaluate post-secondary vocational-technical programs and recommend educational standards for these programs;
3. Develop curricular designs and prepare instructional materials, prepare and evaluate programs to upgrade the quality of teaching and non-teaching staff, and formulate guidelines to improve the physical plant and equipment of post-secondary vocational-technical schools.

SEC. 65. Bureau of Higher Education.—The Bureau of higher Education shall perform the following functions:

1. Develop, formulate and evaluate programs, projects and educational standards for a higher education;
2. Provide staff assistance to the Board of Higher Education in its policy formulation and advisory functions;
3. Provide technical assistance to encourage institutional development programs and projects;
4. Compile, analyze and evaluate data on higher education; and
5. Perform other functions provided for by law.

SEC. 66. Bureau of Continuing Education.—As the main implementing arm of the non-formal education programs of the Ministry, the Bureau shall provide learning programs or activities that shall:

1. Serve as a means of meeting the learning needs of those unable to avail themselves of the educational services and programs of formal education;
2. Provide opportunities for the acquisition of skills necessary to enhance and ensure continuing employability, efficiency, productivity, and competitiveness in the labor market;

3. Serve as a means for expanding access to educational opportunities to citizens of varied interests, demographic characteristics and socio-economic origins or status.

Chapter 4 REGIONAL OFFICES

SEC. 67. *Functions.*—A regional office shall:

1. Formulate the regional plan of education based on the national plan of the Ministry taking into account the specific needs and special traditions of the region;
2. Implement education laws, policies, plans, programs, rules and regulations of the Ministry or agency in the regional area;
3. Provide economical, efficient and effective education services to the people in the area.

V. MISCELLANEOUS PROVISIONS

Chapter 1 PENAL AND ADMINISTRATIVE SANCTIONS

SEC. 68. *Penalty Clause.*—Any person upon conviction for an act in violation of Section 28, Chapter 3, Title III above, shall be punished with a fine of not less than two thousand pesos (P2,000.00) nor more than ten thousand pesos (P10,000.00) or imprisonment for a maximum period of two (2) years, or both, in the discretion of the court.

If the act is committed by a school corporation, the school head together with the person or persons responsible for the offense or violation shall be equally liable.

SEC. 69. *Administrative Sanction.*—The Minister of Education, Culture and Sports may prescribe and impose such administrative sanction as he may deem reasonable and appropriate in the implementing rules and regulations promulgated pursuant to this Act for any of the following causes:

1. Mismanagement of school operations;
2. Gross inefficiency of the teaching or non-teaching personnel;
3. Fraud or deceit committed in connection with the application for Ministry permit or recognition;
4. Failure to comply with conditions or obligations prescribed by this Code or its implementing rules and regulations; and

5. Unauthorized operation of a school or course, or any component thereof, or any violation of the requirement governing advertisements or announcements of educational institutions.

Sanctions against the schools shall be without prejudice to the interest of the students, teachers and employees.

Chapter 2

ADMINISTRATIVE PROVISIONS

SEC. 70. *Rule-making Authority.*—The Minister Education, Culture and Sports charged with the administration and enforcement of this Act, shall promulgate the necessary implementing rules and regulations.

SEC. 71. *Separability Provision.*—Any part or provision of this Act which may held invalid or unconstitutional shall not affect its remaining parts of provisions.

SEC. 72. *Repealing Clause.*—All laws or parts thereof inconsistent with any provision of this Act shall be deemed repealed or modified, as the case may be.

SEC. 73. *Effectivity.*—This Act shall take effect upon its approval.

Approved, September 11, 1982.