

Bayudan-Dacuycuy, Connie; Cabuay, Christopher; Luzon, Paola Ellaine D.

**Working Paper**

## Expansions, quality, and affirmative action in public higher education institutions

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# Expansions, Quality, and Affirmative Action in Public Higher Education Institutions

*Connie G. Bayudan-Dacuycuy, Christopher James R. Cabuay  
Paola Ellaine D. Luzon*



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## CONTACT US:

**RESEARCH INFORMATION DEPARTMENT**  
Philippine Institute for Development Studies

18th Floor, Three Cyberpod Centris - North Tower  
EDSA corner Quezon Avenue, Quezon City, Philippines

publications@pids.gov.ph  
(+632) 8877-4000

<https://www.pids.gov.ph>

Expansions, Quality, and Affirmative Action  
in Public Higher Education Institutions

Connie G. Bayudan-Dacuycuy  
Christopher James R. Cabuay  
Paola Ellaine D. Luzon

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## **Abstract**

Public higher education institutions in the Philippines have experienced expansions in campuses, programs, and enrollments. Alongside these expansions are challenges that can limit the public higher education institutions' capacity to deliver quality education and ensure the disadvantaged groups' access to tertiary education. This study analyzes the nature of expansions in state and local universities and colleges, identifies issues and challenges with these expansions, and provides policy recommendations to ensure that expansions in public higher education institutions occur with commensurate measures that safeguard the quality of educational products and services while guaranteeing affirmative action.

**Keywords:** expansion in public HEIs, affirmative action, access, quality, LUCs

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# Expansions, quality, and affirmative action in public higher education institutions

***Connie G. Bayudan-Dacuycuy, Christopher James R. Cabuay,  
and Paola Ellaine D. Luzon\****

## 1. Introduction

Global higher education expansion has been driven by economic development, political and international influences, and democratic ideals, alongside education's recognized role in fostering economic growth, social mobility, and national progress (Schofer and Meyer 2005). Governments view this expansion as a symbol of national development (Sifuna 2010). Higher education expansion has led to a notable decrease in overall educational inequality. It has promoted social equality, enabling better access to education by marginalized sectors such as ethnic groups (Sifuna 2010) and women (Lin and Yang 2009). Moreover, the public's high demand for university education reflects the expectation in higher education as a pathway to social mobility (Chan and Zhang 2021).

Although higher education expansion is typically associated with an increase in enrolments, it can also mean the establishment of new higher education institutions (HEIs) and constituent colleges or satellite campuses (Sifuna 2010) and offering new courses and programs like dual/evening, vocational, open and distance learning programs (Özoğlu et al. 2016). Regardless of its nature, higher education expansion, when not properly planned for, is often accompanied by significant challenges. These include concerns about commensurate expansions in facilities and equipment materials, challenges in recruiting and hiring teachers (Sifuna 2010), and meeting program quotas (Özoğlu et al. 2016).

In the Philippines, tertiary education expansion was influenced by the significant growth in high school graduates due to the expansion of national high schools and tuition subsidy programs (Tan 2017). In the mid-1960s, the basic education sector obtained government funding priorities, and by the 1990s, free public secondary education intensified access, resulting in a large fraction of eligible students for tertiary education (De Jesus 2011). The government's response was to expand the public tertiary sector by opening more SUCs. Indeed, historical data indicated that educational providers were mostly private HEIs. However, the growth rate of public and private HEIs was comparable, with a 30-year compound annual growth rate of around 3.6% for public HEIs and 3.4% for private HEIs (Table 1). The disaggregation of public HEI data indicated that LUCs grew at around 4%, while SUC satellite campuses grew at around 7%.

Despite sustained public expansion, educational inequality persists (Yee 2024), echoing well-documented concerns about the free tuition law in public HEIs. First, access to quality SUCs by disadvantaged students is still elusive, with Tan (2017) highlighting that prestigious SUCs maintain quality through strict admission policies. Second, students without adequate resources can have lower chances of passing entrance exams due to limited access to learning tools and materials (Orbeta and Paqueo 2017). Empirical evidence indicated that this was the case at the University of the Philippines, with Daway-Ducanes, Pernia, and Ramos (2022) showing that

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\* Fellow II (Philippine Institute for Development Studies), Associate Professor (De La Salle University), and Research Analyst II (Philippine Institute for Development Studies), respectively. The authors would like to acknowledge the assistance of Mr. Jared Francis Chua and Ms. Lucita M. Melendez.

students in richer households had a higher admission probability to the prestigious state university.

**Table 1: 30-year compound annual growth rate of the number (CAGR) of HEIs, by HEI type**

Higher Education Institutions (HEIs)	AY 1990-91	AY 2019-20	30-year CAGR (%)
Total HEIs (including SUCs satellite campuses)	868	2396	3.44
<i>Public (including SUCs satellite campuses)</i>	<i>231</i>	<i>667</i>	<i>3.60</i>
<i>State Universities and Colleges (SUCs)</i>	<i>81</i>	<i>112</i>	<i>1.09</i>
<i>SUCs Satellite Campuses</i>	<i>57</i>	<i>421</i>	<i>6.89</i>
Local Colleges and Universities (LCUs)	34	121	4.32
Others (include OGS, CSI, and Special HEI)	59	13	-4.92
Private	637	1729	3.38
Sectarian	225	339	1.38
Non-Sectarian	412	1390	4.14

Source: Bayudan-Dacuycuy et al (2024)

Meanwhile, LUCs were created primarily for access, bringing tertiary education to local communities through minimal fees and demand-driven programs. LUCs also offered affordable alternatives to students not admitted to SUCs due to the latter's limited absorptive capacity and strict admission policies. Indeed, data indicated that the compound annual growth rate of the public HEIs' enrollment was substantially higher than that of the private HEIs (Table 2). Additionally, the pattern remained the same across various ending periods: The enrollment growth rate in LUCs was substantially higher than that of SUCs.

**Table 2: CAGR of the enrollment in various periods, by HEI type**

	Pre-UAQTEA*	Pre-pandemic**	Latest AY, 2022-2023***
	23-year CAGR, %	26-year CAGR, %	29-year CAGR, %
<i>Public</i>	<i>6.34</i>	<i>5.4</i>	<i>6.3</i>
SUCs	6.18	5.2	5.9
LUCs	11.55	10.6	11.9
<i>Private</i>	<i>1.23</i>	<i>0.8</i>	<i>1.8</i>

Source: Bayudan-Dacuycuy et al (2024)

Notes: \*From AY1994-1995 to AY2016-2017 \*\*From AY1994-1995 to AY2019-2020

Regarding educational quality, the Philippines fared poorer than its ASEAN peers in meeting international standards. Based on the 2024 QS World University Rankings, only four Philippine universities topped the list, while Vietnam, Thailand, Indonesia, and Malaysia have five, 13, 26, and 28 universities, respectively<sup>1</sup>. The tertiary education ecosystem also grappled with inadequate teachers, likely resulting from various factors, including the bias for academic qualifications in hiring teachers, higher compensations in firms/industries, and limited positions in HEIs that offer the security of tenure. These make public HEIs less attractive to potential teachers, resulting in a higher student-to-faculty ratio and adversely affecting the quality of teaching, learning, and research outcomes. Higher education expansions without concomitant quality in educational products and services raise significant concerns about the overall educational value and the preparedness of graduates to enter the labor market.

<sup>1</sup> Source: QS World University Rankings 2024: Top global universities. <https://www.topuniversities.com/world-university-rankings/2024>.

Given the above, this research aims to answer the question: *Does the expansion of State Universities and Colleges (SUCs) and Local Universities and Colleges (LUCs) increase access to quality education? What affirmative action can be taken?* In particular, the paper

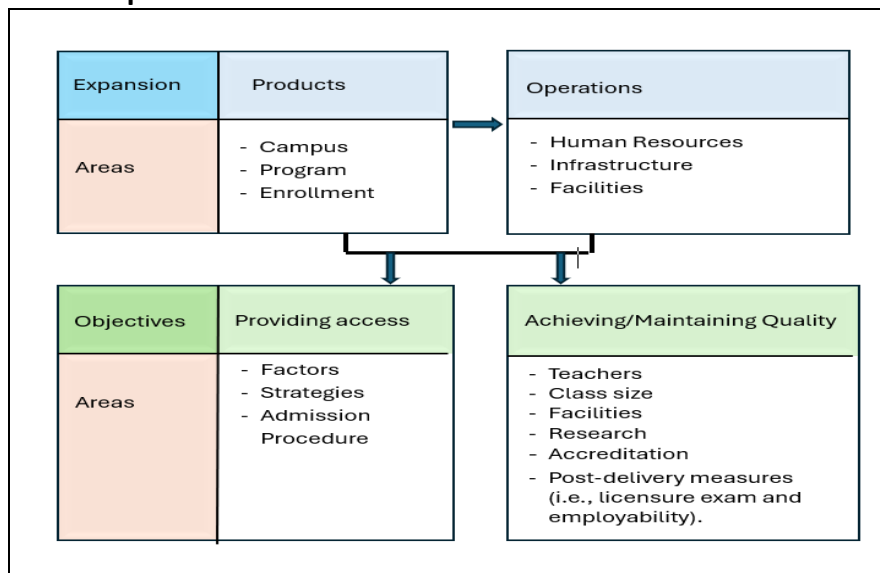
- analyzes the nature of expansions in SUCs and LUCs,
- identifies issues and challenges with these expansions, and
- provides policy recommendations to ensure that expansions in public HEIs occur with commensurate measures that safeguard the quality of educational products and services while guaranteeing the disadvantaged groups' access to tertiary education.

## 2. Research design and methodology

### 2.1 Conceptual framework

The current paper categorized the expansions identified in Özoğlu, Gür, and Gümüs (2016) and Sifuna (2010) into two: products and operations (Figure 1). The former includes campuses, programs, and enrollments. The latter includes human resources, infrastructures, and facilities. These expansions are means to achieve the twin objectives of improving access to and enhancing quality in tertiary education. Access is analyzed by looking into factors, strategies, and admission procedures in the context of improving the disadvantaged students' access to tertiary education. Quality is analyzed in terms of the adequacy of inputs (i.e., teachers, class sizes, facilities, research, and accreditation) and, to some extent, post-delivery measures (i.e., licensure exam and employability).

**Figure 1: Conceptual framework for the expansion-access-quality nexus in public HEIs**



### 2.2 Strategies for data collection and analysis

This research analyzes secondary data from the Philippine Statistics Authority, Commission on Higher Education, and Department of Budget and Management and primary data collected through key informant interviews (KII). Following Braun and Clarke (2006), we used thematic analysis<sup>2</sup> to analyze interview transcripts and find emerging themes from the responses based

<sup>2</sup> A method for identifying, analyzing and reporting patterns (or themes) in transcribed interviews (Braun and Clarke 2006).



on expansion, access, and quality indicators. Themes emerge from repeated responses across transcribed interviews and provide relevant answers to the research questions. Transcriptions were read and re-read, noting ideas and elements and collating codes into potential themes.

Using the CHED's list of public HEIs to select the KII respondents, SUC respondents were selected to ensure the representation of the three island groups plus NCR. Other criteria used include growth in appropriations and enrollment and listing in the QS world ranking and JobStreet's Employer's Choice Survey in 2023. Meanwhile, LUC respondents were randomly selected for each major island group plus NCR. No LUC in Mindanao responded to the invitation.

There were 13 HEIs (14 respondents) that accepted the invitation to participate in the KII (Table 3). Eight HEIs were from SUCs, and five were from LUCs. Seven respondents spoke in the capacities of administrators and faculty members, one spoke in the capacity of a legal counsel, and five participated as faculty members and association representatives. Four HEIs came from Luzon, two from Visayas, three from Mindanao, and four from NCR. Among the SUCs, four institutions were ranked globally in terms of research, and two were listed as producers of the most employable graduates in the 2023 JobStreet's Employer's Choice Survey. Among the LUCs, four had institutional recognition from CHED.

**Table 3: Summary of respondent characteristics**

HEI type	Interviewee Profile	Location	Research QS world ranking Ranking 2023	Employability Jobstreet Ranking 2023	Appropriations Growth* Quintile FY2015-2023	Enrolment Growth** Quintile AY2017-2020	Graduation Growth*** Quintile AY2016-2019	Satellite campuses AY2023-2024
SUC	College Dean	Luzon	Unranked	Unranked	Q5	Q1	Q2	7
SUC	College Dean	Luzon	Unranked	Unranked	Q1	Q4	Q4	7
SUC	Faculty Association President	Luzon	Ranked	Unranked	Q3	Q4	Q3	1
SUC	College Dean	Visayas	Ranked	Unranked	Q4	Q3	Q3	9
SUC	College Dean	Mindanao	Unranked	Unranked	Q4	Q2	Q1	15
SUC	Vice Chancellor of Academic Affairs	Mindanao	Unranked	Unranked	Q2	Q5	Q3	8
SUC	University Registrar	Mindanao	Ranked	Listed	Q2	Q2	Q2	15
SUC	Faculty Association President	NCR	Ranked	Listed	Q2	Q2	Q2	15
LUC	College Administrator	Luzon						
LUC	President	Visayas						
LUC	College Dean	NCR						
LUC	College Registrar	NCR						
LUC	Vice President for Finance, University	NCR						
LUC	Legal Counsel							

Note: KIIs were conducted from March 8 to June 3, 2024.

Quintiles 1,2,3,4,5 go from lowest to highest in the distribution.

\*Appropriation Growth (Personnel Expenses only): Min: 24.4%, Max: 231.2%, Quintile cutoffs: 33.4%, 36.5%, 40.3%, 46.8%

\*\* Enrolment Growth: Min: -39.4%, Max: 184.9%, Quintile cutoffs: -3.9%, 7.4%, 18.4%, 33.9%

\*\*\* Graduation Growth: Min: -46.5%, Max: 221.5%, Quintile cutoffs: -7.6%, 6.4%, 19.8%, 40.6%

### 3. Synthesis of expansion, quality, and affirmative action in HEIs: Quantitative data

#### 3.1 Expansion

##### 3.1.1. Number of public HEIs

***In 2005, all provinces had public HEIs (except Sarangani), although some had more than others (see Figure a).*** Only 13 provinces had at least 10 HEIs (darker regions in Figure 1A, left panel): Metropolitan Manila and Iloilo (each with 22 public HEIs), Palawan (21), Camarines Sur (17), Leyte (15), Negros Occidental (14), Albay (13), Cebu (12), Quezon (12), Batangas (11), and Laguna, Rizal, and Isabela (each with 10).

***By 2023, the number of provinces with at least 10 public HEIs increased to 28*** (darker regions in Figure 1A, middle panel). These included Metropolitan Manila (34 public HEIs), Iloilo (26), Palawan (25), Camarines Sur (24), Negros Occidental (23), Cebu (23), Leyte (19), Quezon and Cavite (each with 18), Nueva Ecija, Misamis Oriental and Bukidnon (each with 17), Batangas and Bohol (each with 16 public HEIs), Laguna, Bulacan and Zamboanga del Sur (each with 15), Albay, Rizal, Pangasinan, and Pampanga (each with 14), Zambales (12), Isabela (11), Zamboanga Sibugay (11), and Aklan and Romblon (each with 10).

***From 2005 to 2023, the public HEIs in some provinces increased more than in others.*** Public HEIs increased by 10-14 in around 9% of the provinces. These provinces included Bukidnon, Metropolitan Manila, Cebu, Misamis Oriental, Zamboanga del Sur, Pampanga, and Zamboanga Sibugay. Meanwhile, the number of public HEIs remained the same in around 26% of the provinces.

***Broken down by type of public HEIs, expansion in the number of LUCs, SUC main campuses, and SUC satellite campuses differ, with LUCs increasing more in some provinces and SUC satellite campuses increasing more in others (Figure 2A and Table 1A).***

- LUCs increased in some provinces than in others (darker regions in Figure 2A, left panel). Provinces with the most increase included Metropolitan Manila and Bohol (each increasing by eight LUCs), Cebu and Bulacan (each with six), Camarines Sur and Zamboanga del Sur (each with five), Misamis Oriental, Pampanga, Oriental Mindoro, Masbate (each with four), and Cavite, Rizal, Pangasinan, Compostela Valley, Davao del Norte (each with three). 11 of these provinces have the greatest number of LUCs in AY 2023-2024.
- SUC main campuses remained the same in almost all provinces except in Cagayan, Compostela Valley (now Davao de Oro), Maguindanao, and South Cotabato (each with one SUC main campus added to the AY 2023-2024 list).
- SUC satellite campuses increased in some provinces than in others (darker regions in Figure 2A, right panel). Provinces with the most increase included Bukidnon (12), Zamboanga Sibugay (10), Negros Occidental (9), Misamis Oriental and Nueva Ecija (seven), Pampanga and Cavite (6), Cebu, Zamboanga del Sur, and Quezon (five), Metropolitan Manila, Palawan, Occidental Mindoro, Tawi-Tawi, and Basilan (four). Eight of these provinces had the greatest number of SUC satellite campuses in AY 2023-2024.

***A positive association existed between the number of HEIs and the 15–24-year-old population (Figure 3A).*** The positive association was strongest for LUCs (coefficient 0.62,

standard error 0.08) and the lowest for SUC main campuses (coefficient 0.22, standard error 0.02). The positive association in SUC satellite campuses was 0.57 (standard error 0.05).

### 3.1.2. Courses, by discipline

***At the undergraduate level, courses offered from 2005 to 2021 expanded mainly in two disciplines: Business administration/Related Disciplines and Education Science/Teacher Training (Figure 4A, upper panel).***

- LUCs: The number of courses in Business administration/Related Disciplines and Education Science and Teacher Training accounted for 55% and 60% of courses offered in LUCs in AY2005 and AY2021, respectively. The courses in these disciplines increased by three- and two-fold, respectively. While courses in other disciplines expanded more, their shares remained small.
- SUC main campuses: The campus offered many courses under various disciplines, including Agriculture, Forestry, and Fisheries (AFR), Business Administration/Related Disciplines, Education Science/Teacher Training, and Engineering and Technology, which accounted for 60% of the campuses' offered courses in both AYs.
- SUC satellite campuses: Patterns observed on main campuses are also observed on satellite campuses. Courses in the identified disciplines above accounted for 72% in both AYs. Courses in IT-related disciplines also increased and had an 11% share in AY2021.

***At the graduate level (master's and Ph.D.), courses offered from 2005 to 2021 expanded mainly in two disciplines: Business administration/Related Disciplines and Education Science/Teacher Training (Figure 4A, lower panel).***

- LUCs: Courses in Business administration/Related Disciplines and Education Science/Teacher Training accounted for 68% and 73% of all LUC courses in AY2005 and AY2021, respectively. Courses in both disciplines doubled from AY2005 to AY2021.
- SUC main campuses: Courses in AFR, Business Administration/Related Disciplines, and Education Science/Teacher Training accounted for 64% and 70% of courses offered on the campus in AY2005 to AY2021, respectively.
- SUC satellite campuses: Patterns observed on main campuses are also observed on the satellite campuses. Courses in the identified disciplines above accounted for 65% in both AYs.

### 3.1.3. Enrollment by discipline

***At the undergraduate level, enrollments from 2005 to 2021 expanded in Business administration/Related Disciplines and Education Science/Teacher Training, although enrollments in other disciplines (including Engineering and Technology and IT-related disciplines) in SUC main and satellite campuses also increased (Figure 5A, upper panel).***

- LUCs: Enrollments were concentrated in Business administration/Related Disciplines and Education Science/Teacher Training, accounting for 55% and 63% of the total enrollment in LUCs in AY2005 and AY 2021, respectively. Courses under the IT-related disciplines accounted for 10% of the total LUC enrollments in both AYs. These courses increased six-, four-, and five-fold, respectively. Enrollments in other disciplines at least quadrupled. For example, 2021 Enrollments in AFR and Services Trade increased 25 times from their 2005 values, although their enrollment shares remained small (0.7% and 2%, respectively).

- SUC main campuses: Enrollments were concentrated in Business administration/Related Disciplines, Education Science/Teacher Training, and Engineering and Technology, accounting for 59% and 60% of the total enrollment in SUC main campuses in AY2005 and AY 2021, respectively. These courses increased by three-, two-, and two-fold, respectively. Enrollments in other disciplines also expanded. For example, 2021 Enrollments in Criminology/Related Disciplines and Fine and Applied Arts increased six and seven times, respectively, from their 2005 values, although their shares remained small (4% and 2%, respectively).
- SUC satellite campuses: Enrollments were concentrated in Business administration/Related Disciplines, Education Science/Teacher Training, Engineering and Technology, and IT-related disciplines, accounting for 76% of the total enrollment in the campus in both AY2005 and AY2021. These courses increased five-, two-, and four-fold, respectively. Enrollments in other disciplines also expanded. For example, 2021 enrollments in Service Trades, Fine and Applied Arts, and Criminology increased from their 2005 values by 18, 11, and nine times, respectively, although their shares remained small (0.6%, 1%, and 5%, respectively).

***At the graduate level, enrollments from 2005 to 2021 expanded in Business administration/Related Disciplines and Education Science/Teacher Training, although enrollments in other disciplines (including Engineering and Technology and IT-related disciplines) in SUC main and satellite campuses also increased (Figure 5A, lower panel).***

- LUCs: Enrollments were concentrated in Business administration/Related Disciplines and Education Science/Teacher Training, accounting for 76% and 82% of the total graduate enrollment in LUCs in AY2005 and AY 2021, respectively. Courses under the IT-related disciplines accounted for 10% of the total LUC enrollments in both AYs.
- SUC main campuses: Enrollments were concentrated in Business Administration/Related Disciplines and Education Science/Teacher Training, accounting for 72% and 84% of the total enrollment in SUC main campuses in AY2005 and AY 2021, respectively. These courses increased by two-fold. Enrollments in other disciplines also expanded. For example, 2021 enrollments in AFR and Criminology/Related Disciplines quadrupled and increased 16 times their 2005 values, respectively, although their shares remained small (4% and 0.2%, respectively).
- SUC satellite campuses: Enrollments were concentrated in Business administration/Related Disciplines and Education Science/Teacher Training, accounting for 66% and 72% of the total enrollment satellite campuses in AY2005 and AY 2021, respectively. The 2021 enrollments in these courses tripled and quadrupled, respectively, their 2005 values. Enrollments in other disciplines also expanded. For example, 2021 enrollments in Engineering and Technology, Mass Communication and Documentation, and Social and Behavioral Sciences were five times their 2005 values, although their shares remained small (1%, 1%, and 3%, respectively).

#### 3.1.4. Budget

***There was a positive association between the SUC budget and enrollment (Figure 6A).*** This is observed on the scatterplot (levels) and bar graph (14-year compound annual growth rate).

***The budget per student also increased (Figure 7A).*** After being relatively flat at around PhP 150 per student (AY 2009-2016, 2018 prices), government expenditures per student (SUCs + CHED) doubled from AY 2017 onwards.

### 3.2 Quality

***A few SUCs had a Center of Excellence (COE) and Center of Development (COD) in AY2016<sup>3</sup>.***

- There were 31 SUCs with COEs, and only eight had more than one COEs. Disaggregated by discipline, 23% of the 81 COEs were in Agriculture Education, 22% in Science and Mathematics, 19% in Teacher Education, 12% in Engineering, and 11% in Social Sciences.
- There were 49 SUCs with CODs, and 21 had more than one CODs. Disaggregated by discipline, 23% of the 87 CODs were in Agriculture Education and Teacher Education, 20% in Science and Mathematics, and 10% in Engineering.

***Across types of public HEIs, the number of teachers with graduate degrees increased from AY2013 to AY2021 (Figure 8A).***

- LUCs: The share of faculty members with bachelor's degrees decreased from 56% to 38%, respectively.
- SUC main campuses: The share of faculty members with bachelor's degrees decreased from 42% to 31%, respectively.
- SUC satellite campuses: The share of faculty members with bachelor's degrees decreased from 50% to 35%, respectively.

***There were improvements in other quality indicators.***

- SUCs are subject to leveling instruments<sup>4</sup>, intending to shift to outcomes-based education and align with ASEAN standards and typology-based quality assurance. The share of SUCs with level II decreased (31% in 2007 to 18% in 2018), while those with level III increased (35% in 2007 and 46% in 2018). However, no SUCs reached level V (i.e., comparable to the best universities in Asia).
- Around 70% of LUCs (total of 138) in AY2022 had CHED institutional recognition.

### 3.3 Affirmative action in mission and vision statements

Mission and vision statements communicate the purpose of the organization to stakeholders and are instrumental to the development of the organization's strategy to achieve its goals/objectives. Thus, the vision statements of 12 SUCs and eight LUCs in different regions were examined. The general theme of the statements revolved around ensuring excellence and global competitiveness (e.g., national and international recognition). Inclusive growth, sustainable development, and moral responsibility were the common concepts closest to affirmative action. One LUC in SOCCSKSARGEN, however, explicitly recognized the provision of "*accessible, quality, and responsive education...*" in its vision statement.

Nearly the same trend was observed in the mission statements. Key elements focused on research and advanced studies, leadership, competitiveness, and producing high-quality human resources. For SUCs, sustainable development and poverty alleviation were the closest to affirmative action. Two LUCs explicitly stated the "*provision of accessible, affordable, equitable, quality tertiary education*".

<sup>3</sup> Based on the data provided by CHED to EDCOM Secretariat, the validity period of the designated COEs/CODs was from 2016-2018 but is extended until the new guidelines are formulated per CHED Memorandum Order No. 3, series of 2019.

<sup>4</sup> See DBM-CHED Joint Circular No. 1, Series of 2016.

## 4. Synthesis of expansion, quality, and affirmative action in HEIs: Qualitative data

### 4.1 Expansion in HEIs

#### 4.1.1 Expansion through the establishment of LUCs and SUC satellite campuses

***The expansion of campuses (satellite or extension) is aligned with the SUCs' mission. The establishment of LUCs is an offshoot of the LGUs' desire to ensure the communities' access to higher education.***

Establishing satellite campuses is necessary to ensure access, especially for those in remote areas. Administrators generally agreed to this, adding that doing so mitigates students' migration to cities for their college education. For example, the president of an employee union in one SUC shared that the School of Health Sciences in their school has a different kind of curriculum. It is a ladderized program, with students enrolled as nursing students but can later proceed to become medical doctors. The union president further shared that the orientation is towards serving the community, so the admission rules differ. Another college dean in one SUC highlighted the alignment of their expansion with their vision to serve communities.

“We offer different campuses or open external campuses in the region. Consistent with our vision, we are bringing quality education to the doorsteps of the marginal communities in the region. Access is given to students who cannot afford to go to the city to enroll in college.”

SUC administrator

Establishing satellite or extension campuses can also be driven by the LGUs' desire to address the needs of their constituents. A number of respondents reported that setting up such campuses was initiated by the LGUs to address the needs of their constituents, looking to increase the access of those who cannot afford to go to the city for tertiary education. Recognizing the resources needed to establish an extension campus, one SUC administrator reported that when LGUs request to establish one in their locality, SUC administrators ask LGUs to submit feasibility studies. They also check the available resources, as noted by one administrator below.

“LGUs have to offer something to the university if they wanted us to open in a particular location. So, they also have to have their share. For example, the donation of land or the construction of buildings. The university president is consulted as well.”

SUC administrator

LUCs provide the community access to tertiary education. LUC administrators generally agreed to this, sharing that before establishing LUCs, feasibility and marketability studies are conducted to determine community needs. One LUC administrator shared that they gathered data from the city government, DepEd, and the industry in the community to analyze the potential number of students in the next five to 10 years and determine the number of graduates continuing their college education. This insight is illustrated by a quote from another LUC administrator, sharing how their school was established and how it has been helping the community since then.

“We have started with a feasibility study. In terms of the number of graduating students in the city, we have seen in the data that less than 50% of those who graduate from high school in the

city can enter college. So, the city envisioned that to cater to this greater number of graduating students, it had to establish a local college to cater to a greater percentage of the graduates. We have to expand further in terms of physical facilities and programs.”

LUC administrator

#### 4.1.2 Expansion in programs

***Program expansion caters to the demands of students, households, and industries within the locality. Programs offered are based on community demand and local and national relevance.***

Offering new programs in SUCs follows a process, mainly to determine the market appetite and secure the approval of the board of regents. SUC administrators shared that they draw a proposal and perform feasibility and marketability studies to determine the human resources and equipment needed and ensure that programs are relevant to the community and local industries. This view is shared by the public HEI administrators, articulating that program offerings should align with the vision and thrust of LGUs in the region. These insights are also reflected in a quote from a university registrar in one SUC below, noting the importance of a market survey to get the nod of the Board of Regents (BOR) to new programs.

“The recently approved program is the BS in Data Science. Currently, we have two degree programs that are still being evaluated at the school system level. We offer this because we did a market survey. If the market survey is good, there is a higher probability that the BOR will approve the proposed program. The BOR investigates the demands for the new degree program among the prospective student population and regional stakeholders.”

SUC administrator

“School M wanted to serve the community, the needs of the LGU and the industries. We have partnerships with different industries to determine their needs. They help us develop programs to help them in their business.”

LUC administrator

Other than market demands, new developments in the locality influence the offering of new programs. For example, one LUC president shared that they offer tourism-related courses considering the region’s positioning as a destination for meetings, incentives, conferences, and exhibitions after being declared as UNESCO Creative City for Gastronomy. A university registrar in one SUC, as seen in the quote below, shared they offered new programs to complement the infrastructures available in the LGU.

“Two years ago, we started with a Bachelor in Sports Science and associate degree in Sports Studies. These two programs were instituted because of the sports complex built on our campus. So, we were asked by the city government to add degree programs that would complement the usage of that sports complex. Last year, we were able to adopt also masters’ programs related to human movement/kinetics.”

SUC administrator

The same SUC administrator shared that they also offered programs to respond to the manpower needs of basic education.

“There is a need to offer these degree programs for teachers of physical education and human movement sciences here in the region. We noticed that teachers are not graduates of sports science programs. Assisting them is one of our rationales in offering the human sciences programs.”

***Complementation of programs and resources are key considerations. Thus, HEI administrators use several strategies and consider different factors in their program expansion initiatives.***

Consultations with universities and colleges are conducted before offering a new program. A university registrar of one SUC shared that they do this to check if other SUCs in the region offer similar programs.

“Some degree programs need focus group discussions and interviews among our network of universities and colleges. We ensure that when we offer programs, it is to complement their programs, not compete. We do not want other HEIs to feel bad, causing conflicts with our networks. So, when we propose to offer a new degree program, we see that this is not a duplicate of programs offered by other universities. Complementarity remains the objective.”

SUC administrator

Rather than offering new courses, there are cases when existing courses are merged or have evolved to make the program more relevant to local needs. A president of a faculty association in one SUC, as shown in the quote below, recalled the evolution of one of their programs, noting the need to adapt to changing times.

“We have been offering our courses for quite some time now. The other courses have evolved. For example, our garment technology has evolved into fashion technology. We updated the program because we noticed that enrollment in the earlier program has been declining. So, we updated to make the program more attractive.”

SUC Faculty association president

In some SUCs, adopting a degree program from other constituent units is a step to expanding degree programs. The process is shared in a quote from a university registrar in one SUC below.

“When we adopt a program from a constituent university, we are compelled to follow the curriculum, including the syllabus of the courses. We will have the sunset review after the program’s first batch of graduates. Only then can we revise or modify the adopted degree program according to the context or the needs of our students. It will take longer if our school initiates the degree program because the school system will scrutinize everything: the market survey and the content of the different courses. So, if we want to increase our degree programs, the first suggestion is to adopt a degree program offered in other constituent units because it’s easier.”

SUC administrator

The same administrator also shared that adopting existing degree programs makes resource management easier.

“Out of the 11 new undergraduate degree programs, we only have two or three that we instituted. We adopted the rest from the main campus. We are a smaller campus, and adopting it is easier and more manageable. If we have logistical concerns, like faculty needs, if it is an adopted course, we collaborate with the host campus and invite affiliate faculty members. We have limited plantilla items for faculty, and having affiliate faculty helps us solve the issue.”

SUC administrator

Faculty complementation among constituent units is another strategy to minimize the shortage of teaching personnel. This insight is generally shared by SUC administrators, with a dean in



one SUC articulating how the various satellite campuses supplement other campuses' needs, as shown in the quote below.

"I have 32 permanent faculty members, one temporary, and eight faculty members are contract of service. The hiring of faculty members will be in accordance with the field of expertise needed by the programs. So, for teachers needed for general education courses, mathematics/statistics, or physical education, we source from satellite campus F. For mathematics, we source from satellite campus E. The administration wants us to conduct research and extension activities, and the complementation will help ease the load."

SUC administrator

***Scanning the available resources in the LGU is an important factor in determining the feasibility of offering programs.***

Resources and instructions are important to facilitate effective delivery. Respondents generally agreed to this, as illustrated by the quote from a dean in one SUC, who shared that LGUs sometimes ask their schools to offer certain programs. Still, administrators first investigate the municipality's resources to determine if doing so is feasible.

"The LGU would like us to open a College of Nursing. However, they cannot provide us with at least the minimum requirements in terms of laboratories and faculty requirements, so we cannot immediately accommodate their demand or request. We investigate whether the municipality can open the program. HRM. They would like to open an HRM program. But, the program for HRM needs a laboratory. Since they cannot develop that laboratory, we cannot also open."

SUC administrator

***Program expansion needs to comply with CHED requirements.***

SUC administrators shared that they needed to submit the COPC. In contrast, one administrator mentioned they needed to achieve a level III status before opening a program on other campuses. There is also a process which, as shared by the quote from a dean in one SUC, takes some time to finish.

"We wanted to provide students with their fallback courses. But we cannot do that immediately because there is a long process. CHED will evaluate the program. Then, we will secure the endorsement and approval of the BOT. It takes at least two years for us to offer new programs. We must consider all resources."

SUC administrator

Meanwhile, LUC administrators shared that they comply with CHED regulations despite the administrators' view that LUCs are not governed by CHED. A specific aspect they bid for is the CHED institutional recognition, with one administrator sharing the adverse effects of its absence on their graduates.

"We subject ourselves to CHED recognition so our students will have no problems later. When they leave the country, they are asked for special orders from CHED. So, we must have our programs recognized. Before our programs can be recognized, we need institutional recognition."

LUC administrator

### 4.1.3 Expansion in enrollment

***Enrollment has increased over time, but enrollment is disproportionately concentrated in main urban campuses.***

Students' desire to experience city life makes main campuses, typically located in more urban areas or local/provincial economic centers, relatively attractive. This insight is illustrated by a quote from one SUC administrator below.

“Nearly all the students prefer the main campus. They don't have a specific course in mind, but they like the campus because we are at the center of the community and commerce. We find this challenging because the fisheries program is one of the priorities of the university and the government. But that campus is far. I'm not sure how much their enrollment has increased, but during meetings with other campus deans, I often hear them complain about how hard it is to attract students because of the campus location.”

SUC administrator

In addition, students prefer to enroll on main campuses because these offer the courses they want, as reported by one SUC administrator below.

“Even if a satellite wants to expand, students usually do not prefer the courses on the satellite campus. Their thinking is that main campuses offer courses for white-collar jobs. So even if the programs on the satellite campuses are good, for example, the fisheries program, enrollments do not really increase.”

SUC administrator

***“White collar” or “professional track” courses are in demand, while courses needed to develop small businesses or local industries (e.g., agriculture and fishery) are becoming less popular.***

There is also greater concentration in programs that put students on the “white collar” or “professional” track in accountancy and education. Students are less likely to enroll in satellite campuses in remote areas because of the distance of the school and the parents' disapproval of certain courses. This insight is supported by one SUC administrator who articulated the difficulty of increasing enrollments in their flagship programs due to the popularity of business and education-related courses among parents and students.

“The course that students like most, if not business, is education. These are the most populated programs. We have many programs that are not listed as a priority by the government. But the essence of why our school was created is to serve the community, so students don't need to go far. We cannot just stop the other programs because they're not listed as priorities by the DOST or DAR, although Increasing enrollment in priority courses is hard. Another factor is the mindset of the community. For example, our satellite campus, which is close to the sea, has fisheries as its flagship program. But the community, the parents are thinking, ‘Why should our children study fisheries? That's our livelihood, and we are poor. So why should we let our children enroll in that program? That is why they head to the main campus.’”

SUC administrator

#### 4.1.4 Concomitant expansion in human resources, infrastructures, and facilities, and absorptive capacity

##### **Human resources**

***Expansion in human resources should occur alongside the expansion in campuses, programs, and enrollments. However, there is a challenge in hiring and retaining qualified teachers due to various factors, including the CHED's criteria for hiring teachers and the higher compensation for similar qualifications in other HEIs and private firms.***

The supply of teachers is inadequate. Respondents generally agreed that this results from the CHED criteria for hiring teachers. One SUC administrator below illustrates this point, noting that the compensation offered by schools is not commensurate to the qualification and work experience requirements.

“Regarding qualifications, for example, teachers in Accounting, CHED has high criteria. The end position of a CPA-MBA is Salary Grade 12, and that's PhP 29000 a month. However, a CPA-MBA would earn more in private industries. Teachers need an MBA, 18 units of professional teaching load, and a Certificate of Accreditation. The same is true for Engineering. The college is having a hard time attracting teachers. If you're an engineer in a firm, you earn more. But the school's entry level is SG 12.”

SUC administrator

To comply with the CHED's COPC requirement, a dean in one SUC shared they hired part-time teachers from the Department of Education.

“One of the challenges I experienced is the CHED's minimum requirement of at least a master's degree. We cannot hire regular faculty members. So, what we do is we hire teachers from the Department of Education who serve as visiting lecturers in the different municipalities.”

SUC administrator

The inability to comply with the CHED's requirements has consequences. One SUC administrator shared that they have closed programs due to a lack of faculty members who can teach the core courses.

“Three programs have been phased out because we cannot comply with the requirements of CHED regarding faculty—for example, AB History. Nobody offers AB History, although that program would promote culture and tradition. Since per the CHED memorandum order, there should at least be three to five permanent, full-time faculty members, but it's hard to find faculty members with masters' degrees aligned with the program's requirement.”

SUC administrator

***The competition for qualified teachers among HEIs contributes to the difficulties in hiring and attracting teaching personnel.***

Better compensation and career advancement in other HEIs contribute to the challenges in hiring and attracting teachers. LUC administrators generally agreed to this, with one LUC president articulating that LUCs are less preferred employers by teaching professionals.

“It's not easy to attract new faculty. Because our competitors, which are the SUCs and the private HEIs, can provide better career paths for teaching professionals. If I am a teaching professional, the local college would be my second choice compared to the SUC.”

The lack of desire by professionals to become teachers is also a factor, with a dean in one SUC observing that this potentially relates to the pay they fetch outside universities. The same administrator shared that they have difficulties recruiting teachers for some programs like engineering because they earn more outside. This insight is echoed by a dean in another SUC, as shown in the quote below.

“The challenge regarding our accounting programs is that CPAs who want to teach are rare. Their mindset is that they would get better compensation outside the university. It’s the same with engineers and geologists. Those who stay in the university as faculty members are those with the drive to serve the university and like to teach.”

SUC administrator

***Plantilla items are key to hiring and retaining teachers.***

Security of tenure is one factor in keeping teaching and non-teaching personnel. Administrators generally agreed to this, with a university registrar in one SUC underscoring, as shown in the quote below, their initiatives to increase their plantilla position.

“We are part of a system. The main campus has a formula for allocating budgets per campus based on the number of students and faculty members. What the system does is we are given additional allocation if we have additional needs. For example, if we offer new degree programs that need additional faculty members, we are given additional allocation to hire part-time or lecturer faculty. The expansion of degree programs does not automatically result in the expansion of resources. So, the faculty members are overloaded because we have to absorb additional students and classes, while waiting for the DBM’s approval for our request for Plantilla items. But technically, this isn’t easy. In the past three years, we have not had plantilla items. Some faculty members did not renew. There’s difficulty in hiring because of the lack of security of tenure.”

SUC administrator

***The lack of teachers and non-teaching personnel is more strongly felt in LUCs, likely due to the LUCs’ governance structure and reliance on LGUs for budget and staffing needs.***

The LUC administrators’ lack of autonomy can be limiting. LUC administrators generally agreed that this is not an issue in SUCs since they receive their budgets from the national appropriations. This insight is captured by the quote from one LUC administrator below, conveying the challenges LUCs face due to politics.

“In the LUC, the biggest challenge is the political level. SUCs’ budgets are from the national government. LUCs’ budgets come from the local government. Of course, the challenge is the election because LGU officials hold office only for two years. Budget becomes a problem when the Sanggunian and the executive are not on the same side. Since we are not yet a local economic enterprise, all our operations rely on the city government. We depend on the city government for administrative support and human resources. The supplies and materials depend on the LGU’s procurement process.”

LUC administrator

Expansion in human resources may not be as challenging if LUCs have autonomy in operations and budget. For example, one LUC administrator shared that, with autonomy, they can determine the quality and quantity of human resources, operations, management, and financial

sustainability. As illustrated in the quote from one LUC administrator, there is a general concern about how politics can result in uncertainties for LUC administrators.

“If the president of the LUC is not on good terms with the newly elected mayor, he/she might be replaced immediately. That’s how dynamic it is. I came from the SUC, so I know the difference. I’m experiencing this problem in the LUC now. Everything is good as long as you’re on good terms with the mayor. How about in the next election when a new mayor comes in?”

LUC administrator

Despite this, one LUC administrator shared that the LGU has a committee to select the LUC leader<sup>5</sup>. Thus, one community college president shared that LUC administrators may not be as vulnerable to politics, sharing that there is a selection process.

“Yes, the mayor can remove the president anytime, but he must conduct the selection process again. The mayor cannot just appoint a college president right there and then. There is a search process.”

LUC administrator

While LUCs are directly responsible for academic delivery and the selection of faculty members, the recruitment of faculty members needs to be taken up with the LGUs. LUC administrators shared that the LGU also manages LUCs’ finance and staffing matters. These insights are illustrated by a quote from one LUC president below, sharing how the LUC’s operations rely on the LGU and how training is needed by the few staff working for him.

“I don’t have a finance department. My level is the same as the level of the city accountant/treasurer. So, there is more independence in terms of running things, like in the case of an SUC President who has a finance department. In LUCs, the structure is different. I only have staff who monitor my budget. I still have to beef up my staff’s skills. It’s added work on my part to raise the skill of these personnel to ensure that financial management is being done properly in the college.”

LUC administrator

The cap on LGUs’ personnel services expenditure (PS)<sup>6</sup>, or expenditures on salaries and bonuses, creates a barrier to hiring qualified teachers. One LUC administrator shared requesting once from the LGU for a teaching plantilla item but was turned down, given that the LGU has already reached the cap to its PS budget. LUC administrators cited that having their finance, human resource, and accounting offices would be more helpful in smoothening the day-to-day operations of LUCs. These articulations are also illustrated by the quote from one community president below, noting the challenges of relying on the LGU.

“The difficulty of local colleges is that they are financed by local government units. So most local colleges, like us, do not have a finance department of our own. We depend on HR matters from the local government. All our human resources and budgets are combined and are part of the local government’s budget. So, the cap on PS expenditures affects the college since we are part of the count in the PS budget of the local government.”

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<sup>5</sup> LUCs presidents are appointed by a Board of Trustees (or Governing Board [GB]) (CHED Memorandum Order No. 7 Series of 2022 for SUCs; House Bill No. 2021 for LUCs). The GB is made up of a Chairperson, the incumbent President as Vice-Chairperson, representatives from the faculty association, student councils, alumni associations, representatives from private sectors. The local chief executive sits as the Chairperson, and the GB is joined by a representative from the Association of Local Colleges and Universities, the LGU’s Treasurer, and the LGU’s Budget Officer. When the time to appoint a new President arrives, the GB establishes a search committee. The committee then filters applicants and makes a recommendation for approval of the GB.

<sup>6</sup> 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.

LUC administrator

LUC administrators shared that teachers are usually hired as part-time workers, making LUC employment an unattractive option for professionals seeking a stable source of income. This insight is articulated by the quote from another LUC administrator below, explaining a workaround to hire more faculty members and its disadvantages.

“I would want many full-time, permanent faculty. But we end up hiring part-time. Their salary is charged to the maintenance and other operating expenses part of the budget. So, the cap does not apply. As long as the local government can afford it, it can hire more part-time faculty. But it doesn’t make the college attractive to teaching professionals with master’s degrees because a part-time status has no stability.”

LUC administrator

Treating LUCs as local economic enterprises<sup>7</sup> is another workaround for the PS cap. One LUC administrator shared this when asked how to shield LUCs from issues due to political vulnerabilities. As shown in the quote below, the administrator articulated that local economic enterprises are exempt from the PS cap but cautioned that such an arrangement requires resources to earn income.

“Due to the PS cap, LUCs cannot hire more faculty members unless the LUC is designated as a local economic enterprise. However, LUCs, as economic enterprises, need to generate income. If they are resourceful, they can generate more income. If they can get research grants and craft training programs, they can earn and hire more faculty members.”

LUC administrator

## **Physical resources**

***Commensurate expansion of buildings and facilities is needed to ensure that public HEIs provide quality educational products and services. However, there are challenges to expanding physical resources.***

While physical resources, including land, are sufficient for some SUCs, other SUCs lack physical resources, which limits their schools’ absorptive capacity and hampers the creation of new programs. Administrators, especially of LUCs in urban areas agreed to this, sharing how physical space is a luxury for them and articulating their difficulties in finding the appropriate space to build an infrastructure.

“The school started with one program, then expanded to four. We’re offering only four programs because our physical structure is just a four-storey building with 13 functioning rooms. There is a need for physical infrastructure, but we don’t have space. We observe that we need to offer other programs. Unfortunately, we cannot find an adequate space for our infrastructure. In a highly urbanized city, it’s not easy to find adequate space that would respond to the observed needs for additional programs.”

LUC president

In other cases, the lack of growth in budgetary and financial resources hampers the expansion of physical infrastructure, as illustrated in the quote below.

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<sup>7</sup> Per Section 325 of the Local Government Code, “The appropriations for salaries, wages, representation and transportation allowances of officials and employees of the public utilities and economic enterprises owned, operated, and maintained by the local government unit concerned shall not be included in the annual budget or in the computation of the maximum amount for personal services. The appropriations for the personal services of such economic enterprises shall be charged to their respective budgets.”

“Even if our school gets more budget than other schools, at the end of the day, there are many demands and needs to match the quality of state universities abroad. For example, internationalization and benchmarks such as laboratories, funding for research, and facilities and buildings. The speed of procurement and the government bureaucracy do not help speed up things. Our office was run down by fire in 2016, and we don’t have a replacement building. It is quite difficult to teach in these conditions. Students are also asking for spaces like *tambayans* and dormitories. These all create a suitable and conducive learning environment for teachers and students.”

SUC Faculty Association president

### **Absorptive capacity**

#### ***Public HEIs’ absorptive capacity is limited. Thus, it cannot accommodate all enrollees.***

Absorptive capacity is limited by constraints in human resources or physical infrastructure. Administrators agreed to this, with one noting they have a 25% to 30% increase in enrollment, but the existing facilities limit their intake. The president of an academic union in one SUC also noted that, in the end, students are adversely affected (i.e., unable to enroll due to the limited number of classes). A college dean in one SUC also shared how their school ended up being the subject of complaints from the community, as shown in the quote below.

“We have five thousand applicants, new students. We can only absorb about two thousand. So, the rest of them are displaced. We sometimes end up on the local radio station (due to clamor or complaints). The community does not understand that our absorptive capacity is limited. Our faculty, facilities, and budget from the government are limited.”

SUC administrator

The limited physical resources of some public HEIs limit the impact of the Free Tuition Law. Respondents agreed with this insight. Some noted its positive impact on students’ aspirations in pursuing and attaining a college degree. However, public HEIs can only accommodate students based on their physical resources, especially in LUCs that typically do not have idle lands and depend on LGUs for budget. This is recognized by LUC administrators, with one sharing how the positive effect of the Free Tuition Law can be dissipated by the limited absorptive capacity of some HEIs.

“The LGU continues to fund, but it’s not enough. So, UniFAST was a big help. Because of UniFAST, there is an increased number of applicants. But we can’t accommodate all of them because of the limitations in infrastructure and faculty.”

LUC administrator

Delays in the disbursement of proceeds from the Free Tuition Law cause issues in school operations. One SUC administrator shared that delays happen because it is not easy to comply with requirements, although there are delays in getting the budget from DBM, as illustrated in the quote below.

“There are schools that have difficulties in complying with the requirements. Internet connectivity is a problem, and accessing the portal is difficult, so we could not process the billing document. Delays in the disbursement also delay the salaries of the part-time teachers.”

SUC administrator

Online mode of instruction is viewed as a potential solution to address the public HEIs’ absorptive capacity. Some administrators shared that shifting to online platforms can make

enrollment and program expansions possible. This point is illustrated by a quote from a community college president below, noting how online learning could lead to a more inclusive and accessible education.

“Many community college students must work because they come from the poorest poor. Sometimes, they have to provide for their families. So, it’s convenient for them if classes are online. They get a chance to pursue their financial obligations to their families and have part-time work. The online platform would be a great help. And it would allow for the expansion of the programs.”

LUC administrator

***Adequate budgetary allocation is key to expansions in physical infrastructure, human resources, and program creation, and thus, HEIs’ absorptive capacity. Partnerships with other stakeholders, including the LGUs, are critical strategies.***

Administrators noted increases in budgetary appropriations across the board. Despite this, they shared that the growth of financial resources is not enough to facilitate expansions to enhance their absorptive capacity.

“Our allocation coming from the government appropriations is very small compared to other campuses in the school system because we are small in terms of the size of students and personnel. Regarding capital outlays, we have buildings, but construction takes time since we go through the budgetary and procurement processes in the government. This is different from private HEIs. If they want to build, they can do so right away.”

SUC administrator

Cultivating good relationships with the LGU and finding supporters in Congress help public HEIs address their needs for various resources. For example, one SUC administrator shared that the establishment of one community college in the region happened due to the mayor’s initiative to convince a company to donate a building. A dean in another SUC shared that many of the physical facilities on the external campuses are donated by the local government due to the SUC’s good relationship with the local chief executive. Another SUC administrator shared that due to the lack of growth in the budget for capital outlays to build buildings in extension campuses, they limited their enrollment and asked the local chief executives for help in the construction of buildings. These experiences are illustrated in a quote from one SUC administrator below.

“There is reciprocation in terms of the needs of the campus established in a locality, so on the part of the local officials or LGU, they will also be extending help to the university. For example, land is important. We need donations to construct a building, which the local government can also sponsor. So, our school only needs to supply the teachers and equipment. The local officials can also provide the equipment if they can afford it.”

SUC administrator

To increase their budget or secure more plantilla items, some public HEIs sometimes seek support from politicians. For example, a university registrar of one SUC articulated that they needed additional plantilla items for teaching and non-teaching personnel and secured these with the help of a congressman who supported the school. This point is also illustrated by a quote from a vice chancellor of academic affairs of one SUC below.

“Until the board’s approval, we went to the DBM and lobbied with a congressman to get help. We cut our enrollment because our budget is not as big as our main campus. The congressman



pursued the prioritization of our budget for faculty in Congress. All other campuses were given additional plantilla items as well.”

SUC administrator

Other administrators tap into various government agencies for support. They conveyed that they sought grants to fund their equipment needs and facility expansion.

“We have new buildings and facilities because we have initiatives to source funds from the government, from DTI, CDA, DOST. We have new facilities and equipment.”

SUC administrator

## **4.2 Access and affirmative action**

### ***LUCs demonstrate greater affirmative action through the high enrollment of disadvantaged students and their less stringent admission requirements.***

LUCs cater to poor students in the community. For example, one LUC administrator cited that 90% of their students are from families with an annual income of less than PhP 250,000 annually. Another LUC president claimed that 100% of their students come from households with low socioeconomic status because the region they operate in is home to many major SUCs, the preferred schools of many students. These points are illustrated in the quote below from another LUC administrator, sharing that there were few first-generation graduates in the city before the establishment of the LUC.

“Before the establishment of the LUC, there was no other higher education institution in the city. There was a low percentage of first-generation graduates in the family in the city. Low-income families, around 65% of the families in the city, had difficulties sending their children to school in other towns. Based on data, high school graduates, on average, were more than 2,000 students. Of these 2,000 students, only around 600 were continuing college. Having one SUC and one LUC in the area is a big deal. We are targeting that at least additional, or three-fourths of these graduates will be able to enter college.”

LUC administrator

LUC admission requirements are not entirely merit-based. Administrators shared that part of the admission process investigates several indicators like family income and education profile of household members and places greater weight on students from lower-income households. Another LUC shared that around 10% of their enrollments are non-LGU residents, and these pay PhP 3000. They prioritize LGU residents, and the administration tries to accommodate them.

“We have an entrance test and a qualification test. LGU residents are prioritized. We only admit 10 percent of the total freshmen population from the non-LGU residents, and they are ranked based on the quota. But LGU residents who do not pass their program choice are given options to enroll in programs with less stringent requirements.”

LUC administrator

Another LUC administrator shared that they have a plan to accommodate students in case the limit in certain courses has been reached, as illustrated in the quote below.

“We never exceeded the quota. But we have a full plan if the slot has been filled out. First is to request additional funds from the mayor. If the city government cannot provide additional funds, we plan to offer short-term programs to cater to those who cannot enter the four-year degree program.”

LUC administrator

Despite efforts to accommodate all enrollees and serve the needs of the community, LUCs take steps to ensure quality, especially in board programs. Administrators reported that they do this by limiting the number of sections, imposing quotas, and instituting qualifying exams (aside from the general entrance exams). This insight is illustrated in the quote below.

“They all have a chance to enroll, but not always in their preferred program if they’re not qualified because we maintain a standard, especially in board programs (with licensure examinations). We need to be strict because it would affect our performance, and we would not be able to achieve our goal if students did not pass the board exam. When students are admitted to board programs, the university takes good care of them. They receive assistance when enrolling in review centers and funding for board exams.”

LUC administrator

***SUCs have more stringent admission and retention policies, which can be significant barriers for students with limited resources.***

SUCs have admission requirements designed to select capable students. A dean in one SUC shared that they consider high school grades, entrance exams, and interview results for admission, and they have retention requirements of grades of at least 80 for non-board programs and 85 for board programs. Three SUC administrators shared that income is not a factor for admission, illustrated in the quote below.

“Income is not a factor. All students are scholars. So, we give the slots to the most qualified.”

SUC administrator

Administrators shared that those who can pay have greater access to resources. Thus, SUC’s merit-based admission policy will likely work against students with limited resources. The presidents of an employee union in one SUC agreed to these insights, sharing the disadvantages of students coming from households in lower-income strata.

“I think this is because of the kind of preparation given. This is tertiary education, and you need a solid foundation in basic education to be admitted to the university. We are talking about intellectual capability to meet the demands of academic work and the kind of support they need, like allowance for school, money for good laptops, and books to sustain schooling. Especially during the pandemic, one of the challenges for disadvantaged students was the lack of internet access, gadgets, and conducive space. Now, students have come to me, and they say that they have problems with allowances and fares. Some students attending school are challenging even with the Free Tuition Law.”

SUC administrator

Another president of the faculty association in another SUC provided more nuance to the narrative, observing that while students from richer households are likely to pass SUCs’ entrance tests, they have wider school choices, which can play to the advantage of other students.

“Most of the courses we offer are in agriculture, so we cannot generalize them. Many students are from higher-income backgrounds, but there are also the children of farmers and government employees. But the observation is true. It cannot be avoided that in the entrance exam, the privileged are more likely to pass. But I have observed that if they have also passed in a school in Manila, they enroll there. The slot they have here will be given to the wait-listed students.”

SUC Faculty Association president

This advantage appears limited, with some SUC administrators generally observing an increase in the proportion of richer students relative to poorer students in SUCs over time. This insight is illustrated by the quote from a university registrar of one SUC below, noting the key role of the entrance tests in the increase of students from middle-income households.

“When we started our school in the College of Humanities and Social Sciences, we had 60% disadvantaged students during the earlier times. But now, 60-70% of our students come from middle-income households due to the admission test.”

SUC administrator

However, a dean of a College of Education in one SUC noted that there are courses with a higher proportion of students from lower-income households.

“Just like in the College of Education, based on observation, we have more low-income enrollees. This is not the case for the College of Nursing because of the course requirements. They have to pay for some activities related to learning experiences.”

SUC administrator

Improving the quality of feeder schools is a more basic concern. This insight is raised by a vice chancellor for academic affairs when asked about the support their school needs.

“Strengthen the quality of education provided in DepEd. Based on our data, entrance passers usually come from area X with good public and private basic education schools. There are very few from the mountainous areas. They need good instructional materials to improve the quality of learning so they can be on par with schools located in the city.”

SUC administrator

### ***Some SUCs are taking steps to integrate affirmative action into their admission system.***

To cater to students who did not pass the entrance test, some SUCs offer associate degrees or short-term programs. The university registrar of one SUC reported that this is a strategy to encourage additional enrollees and to enhance affirmative action. The same respondent shared that they have screening for associate degrees and one indicator they are mindful of is whether students are from disadvantaged groups or IPs.

“We offer associate in arts. It’s an associate program that does not need an entrance exam. That is one area we are looking into to encourage the disadvantaged group. One of the screening parameters we’re looking into is if applicants belong to disadvantaged groups or IPs.”

SUC administrator

In another SUC, a faculty association president shared their school asks students to list three courses they would like to enroll in, allowing the underprivileged to enroll in their second or third choices, provided the school has not yet met the quota for the course.

“We implement for less economically privileged students or members of IPs. If they did not pass the first choice of course, they can take courses that have not yet met the quota. They will fill the gap in the number of students on other courses. That has been our program for the underprivileged.”

SUC Faculty Association president

***However, SUCs need to strike a balance between giving the disadvantaged groups' access to tertiary education and maintaining the schools' quality standards.***

One SUC administrator shared that the school needs to balance the desire to help disadvantaged groups and maintain quality standards.

“We also need to maintain the quality. For example, the passing percentage should be high. So, it requires a balance. We wanted to help the disadvantaged groups, but we also need to maintain our performance indicators.”

SUC Faculty Association president

Some SUC administrators shared that a certain percentage of total enrollment comes from the underprivileged as part of their Office Performance Review Commitment (office performance commitment review). However, a vice-chancellor for academic affairs shared that it is another issue if the target is met.

“We have the OPCR, with a target on the percentage of disadvantaged students, which we cascade to colleges. But we're not concerned about reaching the target. Our planning office suggested that we need to commit when it comes to targeting disadvantaged students.”

SUC administrator

Meanwhile, a faculty association president in one SUC shared that allotting slots to disadvantaged groups is not formally required across all HEIs, noting clear policies and guidelines will enhance the access of the underprivileged.

“SUCs need to allot specific slots for advantaged students. Because it cannot be avoided that when they apply to an SUC, SUCs are not obliged to give everyone a chance. There should be a competitive portion, and then we should give slots to the underprivileged. This way, the underprivileged don't need to queue or wait for anybody to forego their slot. It should be made a policy that if there are 1,000 slots for the underprivileged, you identify this 1,000 and give them the scholarships.”

SUC Faculty Association president

***LGUs play a role in enhancing access to tertiary education.***

The local governments sponsor scholarships. A dean in one SUC noted that opportunities for college financing abound in the province.

“I see this because students request our curriculum when they apply for other scholarship grants. We have a lot of grants here at the city and provincial level. It's up to the student to choose because they are allowed only one grant. We did not have these opportunities before. Then, they have the free tuition.”

SUC administrator

SUCs worked with their city government to provide in-kind support, like free transportation for their students living in far-flung areas. This is illustrated in the quote below from a vice chancellor for academic affairs in one SUC, conveying the importance of partnerships with the LGUs.

“Through our administration, we lobby with a governor to provide access from point A to point B because many of our students hitch rides with private cars. We were concerned, and it was a good thing it was approved. Two buses bring students back and forth every Monday.

SUC administrator

### 4.3 Quality in public HEIs

#### Qualifications of faculty members

***Public HEIs comply with CHED mandates in terms of teachers' educational qualifications. The schools' administration offers serious support to help their faculty members pursue advanced degrees.***

Cognizant of the CHED's requirements, public HEIs hire teachers with at least a master's degree. A dean of one SUC shared that they had to hire part-time lecturers from the Department of Education to ensure that their extension campuses have teachers. Some administrators noted that the promotion rules outlined in the DBM-CHED joint circular are quite steep, with one noting that very few of his faculty members get promoted.

“Under the CHED guidelines and the Civil Service Commission, our regular faculty cannot be granted by the Civil Service unless they are graduates of master's degree. So, it means all our regular faculty members must have master's or doctorate degree.”

LUC administrator

Schools also support their faculty members' postgraduate education. A dean of one SUC shared that their school supports advanced studies, although currently limited to studies within the SUC only.

“If you are a regular employee, you are given this privilege to study without any payment. So, many regular employees have been encouraged to pursue advanced studies. This applies to our SUC only. But if the faculty opts to study outside, they will shoulder all the expenses except those who are also given grants for thesis or dissertation. So, yes, the university financially supports them.”

SUC administrator

UAQTEA can serve as an incentive to comply with the teachers' qualifications. When asked if they are receiving funds from UniFAST, one LUC administrator articulated that they have yet to apply since the school is still waiting for institutional recognition from CHED.

“We're just waiting for the granting of our institutional recognition. We applied already, so we're waiting for CHED to act on our application. UniFAST has two requirements: the COPC and the institutional recognition. We already have the COPC. We're just waiting for the latter. Then, we will apply for the UniFAST subsidy.”

LUC administrator

#### Class sizes

***Administrators shared that class sizes do not exceed those mandated by CHED. However, loads can become heavier due to the teachers' other functions.***

Teachers are expected to deliver instruction and perform research and extension services. Some administrators shared that they are overloaded when they have 12 units, equivalent to four classes of three units. However, they shared that they are required to conduct research and extension services and sometimes administrative tasks. Thus, their load usually ends up higher than 12 units. This insight is also illustrated by a quote from the president of a faculty association in one SUC below, noting the overloading of faculty members.

“The mandates of our teachers have increased. Aside from teaching, they must also perform research, do extension work, and publish. This increases the workload of our faculty. However, faculty members with professorial positions have lower teaching loads so that they can conduct research. But, because our roster has not expanded, the teaching faculty, whose normal load is 18 units, are now tasked to teach 24 units, which is the maximum, or sometimes even more. Sometimes research faculty are teaching more units than they should.”

SUC Faculty Association president

## Facilities

***Buildings must be improved to ensure the quality of instructions and students' learning experiences.***

Facilities were reported to be adequate. However, budgetary expansion is needed to aid the improvement and repair of buildings and provide students with spaces for quality-of-life improvements (such as canteens, parks, and study spaces). A president of one faculty association reported,

“Our problem is that our buildings need renovation. We had a moratorium already, but that was 10 or 20 years ago that the government did not give additional MOOE to SUCs. There are budget increases, but these are limited to around five million pesos, which, if you put in infrastructure, is small.”

SUC Faculty Association president

Meanwhile, a president of one faculty association questioned the structural soundness of some buildings in his school. A dean of one SUC shared that the availability of infrastructure and facilities was also an issue.

“We even experienced conducting classes in the Department of Education because of our limited classrooms on external campuses. So, we had our classes in the evening just to have our classes in the Department of Education. So, we just had our memorandum agreement with the Department of Education for us to utilize their physical facilities.”

SUC administrator

## Research

***Public HEIs are mandated to conduct research, and there are capacity-building initiatives and incentives to encourage faculty members to do so.***

Regarding support for developing research capacity, administrators shared that research has become a requirement for permanency and promotion. One SUC administrator shared that their seasoned faculty members invite younger faculty members into their team. Others also shared that their schools provide capacity building and publication incentives and monetary rewards for being able to publish their work in reputable outlets to cultivate the culture of research.

“We have a regular in-house capability-building program by the Research Services Division. We invite guests, and we have events to strengthen the research capabilities of the faculty. We have institutionally-funded research. So, if these are published in international journals, faculty members are given cash incentives.”

SUC administrator

***Despite initiatives encouraging research, many of the sampled HEIs' faculty members are not engaged in research. Most of the sampled HEIs remain as teaching institutions, especially the LUCs.***

They shared that only a few of their faculty rosters are engaged in active research. Despite strong school administration support in the form of research capacity building and publication incentives, most HEIs are still primarily teaching institutions. This point is illustrated in the quote from a college dean in one SUC, sharing their school's lack of research culture.

“Although some faculty members have completed a research publication, they don't have any ongoing research. So, they cannot be included in the definition of active researchers. Not all faculty love research. For them, it's hard to do. So even with all the capability-building strategies that we do, they will not conduct research.”

SUC administrator

### Accreditation

***The culture of accreditation is increasingly becoming a norm.***

SUCs are submitting to accreditation. One administrator shared their aggressive campaign for accreditation, as shown in the quote below, sharing the vision and the costs that go along with it.

“Talks about accreditation started way back in 2011 when the SUC president advocated for external validators to prove that the university was indeed good. The campaign became aggressive later. However, there are costs like money, time, and personnel. For us, it's good, but there is additional work because we need to produce reports we've not produced before.”

SUC administrator

LUCs are also working on their accreditations, with an administrator of a young LUC sharing their plans to do so as soon as they have their first batch of graduates.

“Maybe by 2026, we will apply for accreditation. Accreditors require data on graduates and board passers. Since we don't have graduates yet, we can't apply to the Association of Local Colleges and Universities or ALCUCOA. But we have plans. We plan for ISO certification and ALCUCOA accreditation.”

LUC administrator

There are costs associated with accreditation, which some LUCs find challenging to overcome. One LUC administrator shared that they have accreditation initiatives but are often asked by the LGU if they have funds. Another LUC administrator shared that LUCs in the region were created before the 1991 Local Government Code, and their purpose was to ensure access to tertiary education. However, they now have to deal with various CHED, DBM, and LGU guidelines, which the respondents shared many LUCs find challenging to comply with.

“There are a lot of CHED memo orders (CMO #32 and 22 2006 and CMO #18 series 2022), and we have difficulty adjusting because, in the mind of the LGUs, LUCs are established mainly to give access to tertiary education, that's it: no other criteria, no other set of standards. So now, when other guidelines came in, we find it hard. We're not yet accredited by ALCUCOA. Funding is a big issue when we propose programs to the local chief executive. When we propose some development and activities to comply with CHED's requirements, we must show that we have funds. It's impossible because we have limited resources. It's a burden on our part to comply with the requirements of CHED and do more accreditation.”

LUC administrator

This appears to be LGU-specific since another administrator, apparently in an LGU with a more supportive local chief executive, shared challenges in their bid for accreditation but expressed confidence that they can meet the requirements.

“In terms of accreditation, we need to be evaluated, and one of the areas is the facility and the books. But the city government allocates a budget every year to procure materials and books. Anyway, we have another year to go. We are confident that we will be able to comply with the requirements.”

LUC administrator

### Quality of graduates

#### ***Graduate tracer surveys help SUCs assess the relevance of their programs in the labor market.***

This is increasingly recognized by SUC administrators, with one university registrar sharing that 70-80% of the students work in the region, some working as faculty members, and the rest are either pursuing graduate studies or opting not to work to start a family. Another administrator shared that they use tracer surveys to support their bid for quality assessments, as shown in the quote below.

“We are applying for the Asian University Network Quality Assessment, and our degree programs are being reviewed, including the employment of our graduates. We are confident about what the data say.”

SUC administrator

The conduct of graduate tracers is also instrumental in crafting and meeting the target commitments of some SUCs. A dean from another SUC shared that they track the employability of their graduates as part of their OPCR.

“We have an OPCR, and we are tracing the employability of graduates. We received the PBB last year because we met the employability target in the OPCR.”

SUC administrator

#### ***Board programs of the sampled SUCs are doing well.***

Administrators of the sampled SUCs shared this view, with most of them noting their good track record in the board exam. One SUC administrator shared they had a 100% passing rate in the architecture board exam, and another shared they had produced topnotchers in the LET.

“Our satellite campuses have high passing in board exams for our college of education program as well. Based on our data here, we had an 81.56% rate of passers for satellite D last September 2024. For 2021-2023, is 81.56% of passers compared to the national rating percentage of passers 56.26%.”

SUC administrator

#### ***Graduates of the sampled SUCs have varied employment opportunities.***

Some administrators shared that some of their graduates work outside the country, especially those whose courses are related to IT and engineering. Teachers have opportunities in the locality and are hired in other countries like Singapore. When asked if their graduates can easily



find work in the country, a vice chancellor for academic affairs shared, as shown in the quote below, that it depends on the course.

“90% to 94% of our graduates involved in research have jobs. Some of our graduates work in Manila and other cities. But graduates of agriculture-related courses opt to work on the farm or migrate to New Zealand.”

SUC administrator

## 5. Summary and ways forward

This research aims to answer the question: *Does the expansion of State Universities and Colleges (SUCs) and Local Universities and Colleges (LUCs) increase access to quality education? What affirmative action can be taken?* It analyzes the nature of expansions in SUCs and LUCs, identifies issues and challenges with these expansions, and provides policy recommendations to ensure that expansions in public HEIs occur with commensurate measures that safeguard the quality of educational products and services while guaranteeing the disadvantaged groups’ access to tertiary education.

Public higher education institutions have experienced expansions in campuses, programs, and enrollments. Using quantitative data, the study finds that:

- LUCs increased in some provinces than in others. Similar observations were noted for SUC satellite campuses. Simple regression showed a positive association between the number of HEIs and the 15–24-year-old population. The association was the highest in the number of LUCs, consistent with the narrative that LUCs are instrumental in providing better access.
- Expansions in the number of courses offered from 2005 to 2021 were observed mainly in two disciplines: Business administration/Related Disciplines and Education Science/Teacher Training. This was true for both the graduate and undergraduate programs.
- Expansions in enrollments from 2005 to 2021 were observed in Business administration/Related Disciplines and Education Science/Teacher Training. However, enrollments in other disciplines (including Engineering and Technology and IT-related disciplines) in SUC main and satellite campuses also increased. This was true for both the graduate and undergraduate programs.
- Some improvements and areas for improvement in quality indicators are observed.
  - Around 70% of the 138 LUCs in AY2022 had CHED institutional recognition.
  - A few SUCs had a Center of Excellence (COE) and Center of Development (COD) in AY2016.
  - Across types of public HEIs, the number of teachers with graduate degrees increased from AY2013 to AY2021.
  - The share of SUCs with level II decreased, while those with level III increased from 2007 to 2018. No SUCs reached level V (i.e., comparable to the best universities in Asia).

Alongside these expansions are challenges that can limit the public HEIs’ capacity to deliver quality education and ensure affirmative action. Based on qualitative data, the study finds that SUCs and LUCs face challenges in expanding their human and physical capital, limiting their absorptive capacity. There is a challenge in hiring and retaining qualified teachers due to factors including requirements on academic qualifications, higher salaries in firms/industries, and the

lack of security of tenure due to limited plantilla positions in HEIs. However, the study finds that LUCs face bigger challenges due to their governance and financing structures.

- The lack of teachers and non-teaching personnel is more strongly felt in LUCs. They rely on LGUs for budget and staffing needs. However, LGUs are subject to a cap on personnel services expenditures, limiting the number of full-time teachers that LUCs can hire and retain.
- Teachers are hired part-time (i.e., charged to the MOOE budget) as a workaround to the PS cap. However, this makes LUCs less attractive to teaching professionals. This also presents challenges to LUCs' compliance with CHED standards.
- LUCs are heterogeneous. LGUs can receive varying funding and support from LUCs. Funds for accreditation and quality-enhancing initiatives also depend on the LGU budget.
- Political disruptions can result in uncertainties in LUCs' leadership.

On affirmative actions, the study finds that:

- LUCs demonstrate greater affirmative action. They serve the needs of the community. Thus, they have a stronger sense of affirmative action.
- While LUCs are established primarily to ensure access and are governed by their host LGUs, they need to keep pace with key development issues like improving the quality of tertiary education, including compliance with CHED standards.
- SUCs have more stringent admission and retention policies, which can be significant barriers for students with limited resources. Some SUCs are taking steps to integrate affirmative action into their admission systems. However, SUCs need to strike a balance between access and quality.

Given the preceding discussion, the following recommendations are forwarded to ensure that expansions in public HEIs occur with commensurate measures that safeguard the quality of educational products and services while guaranteeing access to tertiary education for disadvantaged learners.

### **Recommendations to improve integral inputs to HEIs**

*Craft a national policy on the recognition of prior learning (RPL) and integrate this into the Philippine qualifications framework (PQF)*

- *to increase the supply of potential teachers*

Commensurate expansion in human resources is needed with expansions in campuses, programs, and enrollments. However, there are challenges in hiring and retaining qualified teachers due to the HEIs' reliance on academic qualifications for hiring and promoting teachers. Learning occurs in a spectrum of contexts. Workplace experience and years of professional practice are some of the best avenues to acquire knowledge, skills, and values. Thus, crafting a system for RPL<sup>8</sup> will increase the pool of teachers, currently limited to those with graduate degrees, by including industry experts and practitioners. The PQF, currently focused on the linkages of qualifications obtained through formal learning, can be improved to integrate professional qualifications and qualifications obtained through assessments like the RPL.

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<sup>8</sup> RPL is a process of identifying, documenting, assessing and certifying formal, non-formal and informal learning outcomes against standards used in formal education and training. It is a process of assessing learning outcomes to formally recognize competencies obtained from non-formal and informal learning environments (ILO 2018).

- *to offer alternative pathways for disadvantaged groups to gain qualifications outside the formal learning environment*

Micro-credentials provide opportunities for learning and skills development within a shorter period. The Philippine Development Plan 2023-2028 articulated that these are potentially integral to formal qualifications. The flexibility of taking micro-credentials can help disadvantaged groups by allowing them to accumulate specific skills to make them sufficiently employable by industries or eligible to earn a degree in the future.

*Improve the quality of basic education.*

There are dynamic complementarities in skills acquired from every grade level. Thus, increasing access to tertiary education necessitates interventions on the quality of learning in basic education. Adequate learning foundations ensure that learners will have better chances of admission to the HEIs of their choice regardless of socioeconomic background. Improving this integral input will likely shift the conversation from basic access to intensifying access to achieve the country's human capital development goals (e.g., becoming a nation of coders, innovators, creative thinkers, etc.).

### **Recommendations to achieve the twin objectives of access to and quality in public HEIs**

*Revisit the conditions for when and how LUCs can be converted as local economic enterprises (LEEs); Explore crafting guidelines on granting LUCs their charter.*

LUCs are part of the LGUs' social services. They were created to promote the community's access to HEIs. However, the HEI ecosystem has evolved to adjust to the developments at the local and global stages, gravitating towards quality tertiary education. Attaining quality in educational products and services requires resources that may be challenging for most LUCs for several reasons identified in the summary above. Thus, it is imperative to revisit the LUCs' financing and governance structures to better respond to the increasing challenges fostered by the access-quality objectives in tertiary education. Ultimately, this will translate to the benefits of the learners that LUCs serve. On the financing side, it is desirable that 1) LUCs' staffing needs are shielded from the rules governing the LGUs' personnel services spending, 2) LUCs' funding does not depend on LGUs' discretions, and 3) LUCs demonstrate financing accountability.

Some LUCs are converted into LEEs to address some of these concerns. This strategy addresses the staffing needs (i.e., personnel are billed in the enterprises' budget, working around the LGU PS cap). In addition, some LGUs consider LUCs as LEEs due to the UniFAST subsidy from the free higher education law. However, LUCs typically charge minimal tuition fees, so their subsidies may not be adequate to sustain their operations. This is especially true in LUCs without resources to venture into businesses. Thus, these challenges also highlight the need to revisit the LUCs' tuition fee structure to keep pace with the increasing demand for quality educational products and services and other factors like inflation.

One strategy that deserves exploring is granting LUCs their charters, clearly specifying the source and amount of their funds, governance structure (i.e., leader selection and the composition of the governing board), and organization structure. Having a charter provides certainties in their budget and helps LUCs demonstrate their accountability to potential donors and partners (i.e., Some respondents shared that donors are hesitant because the money goes to

the LGUs' coffers). An example of an HEI partly funded by the LGU but with a charter is the Pamantasan ng Lungsod ng Maynila, created by RA 4196 in 1965 (before the crafting of the local government code). Mabalacat City College is on its way to having its charter. Given that LUCs differ in economic and political environments (i.e., LUCs located in LGUs in commercial districts or near economic zones have more opportunities for funding and partnerships.), the guidelines will clarify when and how LUCs can have their charters.

*Use the CHED's higher education development fund (HEDF) to provide developmental support for public HEIs, especially LUCs.*

As part of the HEI ecosystem aiming to serve local and national development goals, LUCs should be supported to ensure that the access they provide is translated to valued outcomes. LUC administrators were willing to comply with CHED's rules, including securing their institutional recognition and subjecting themselves to accreditation and quality assessments. However, LUCs are limited in funding due to their governance structure, and these limitations are felt more strongly in some LUCs than in others due to their varying political and economic environments.

Developmental support should accompany standard-setting, especially for LUCs with limited resources. Per COA's findings, the HEDF has had unused seed capital since the calendar year 2015 (CPBRD 2021). This can be utilized to ensure that all LUCs have CHED institutional recognition and to support quality-improving initiatives, including support for accreditation.

*Encourage SUCs with COEs to facilitate learning spillovers to LUCs.*

COEs have roles in nation-building and national development. SUCs with COEs can help generate positive externalities into the public HEI ecosystem through extension services and linkages targeted to support the LUCs' bid to enhance their quality, including bridging knowledge, processes, and human resources gaps.

*Provide SUCS with clear guidelines on enhancing the disadvantaged groups' access to tertiary education.*

SUCs merit-based admission policy is aligned with the long-standing perception that SUCs are providers of quality tertiary education. They have more stringent admission and retention policies, which can present significant challenges for students with limited resources. While some SUCs have integrated affirmative action into their admission systems, general insights from the interviews indicate the need for clear policies and guidelines to achieve both affirmative action and quality standards objectives. Currently, SUCs have different strategies to achieve these objectives. These include offering associate degree programs but requiring qualifying exams when proceeding to the degree program, placing students into their second- or third-priority courses, and redirecting students to non-board programs. These are largely SUC-specific and leader-driven initiatives. Thus, whether and how these initiatives translate into the disadvantaged groups' greater access to tertiary education is not clear. For example, some SUCs shared that their Office Performance Review Commitment includes underprivileged enrollment targets, although the implications of success/failure to reach the target were unclear. Thus, it would be helpful to craft clear policies and guidelines that articulate targets/metrics for affirmative action without compromising quality and specify monitoring mechanisms to ensure that targets are achieved.

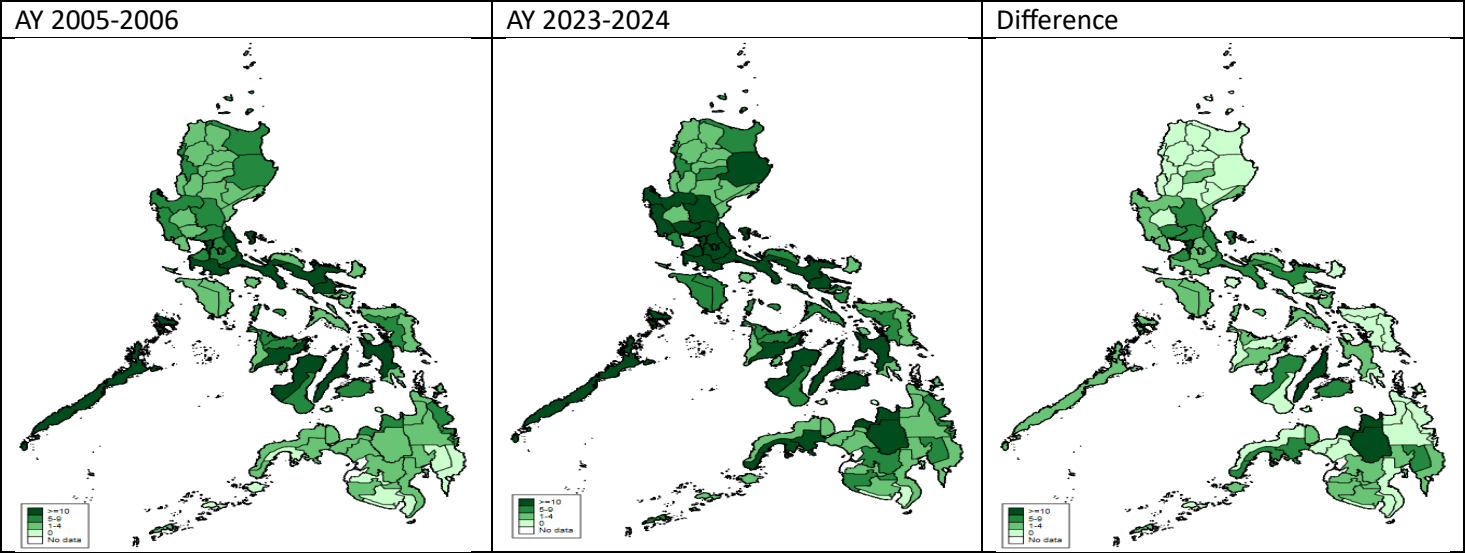
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ANNEXES

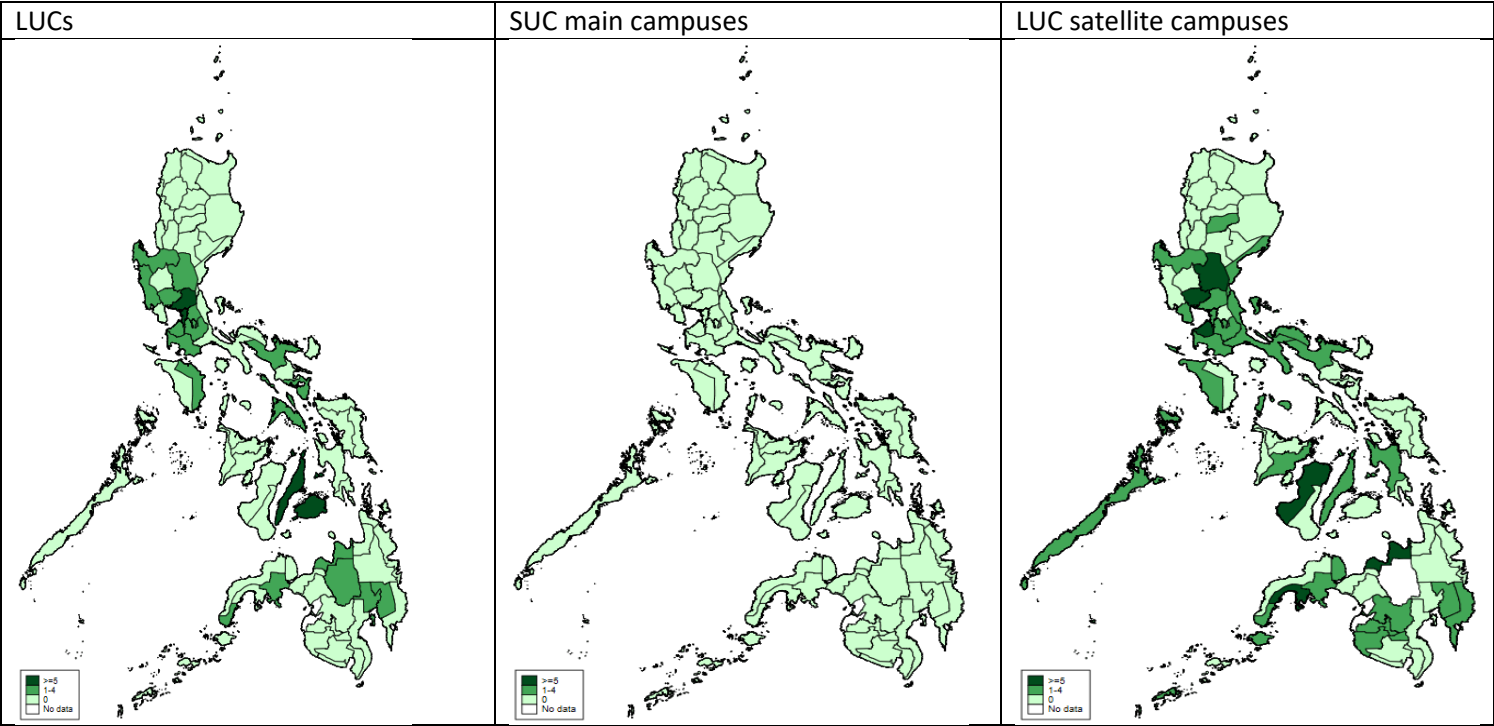
Figure 1A: Total public HEIs in AY 2005-2006 and AY 2023-2024



Source: Authors’ computation.

Notes: The number of HEIs in AY 2005-2006 were generated from the CHED’s enrollment data, obtained through the EDCOM secretariat. The number of HEIs in AY 2023-2024 were obtained from CHED-OPKRM on June 5, 2024.

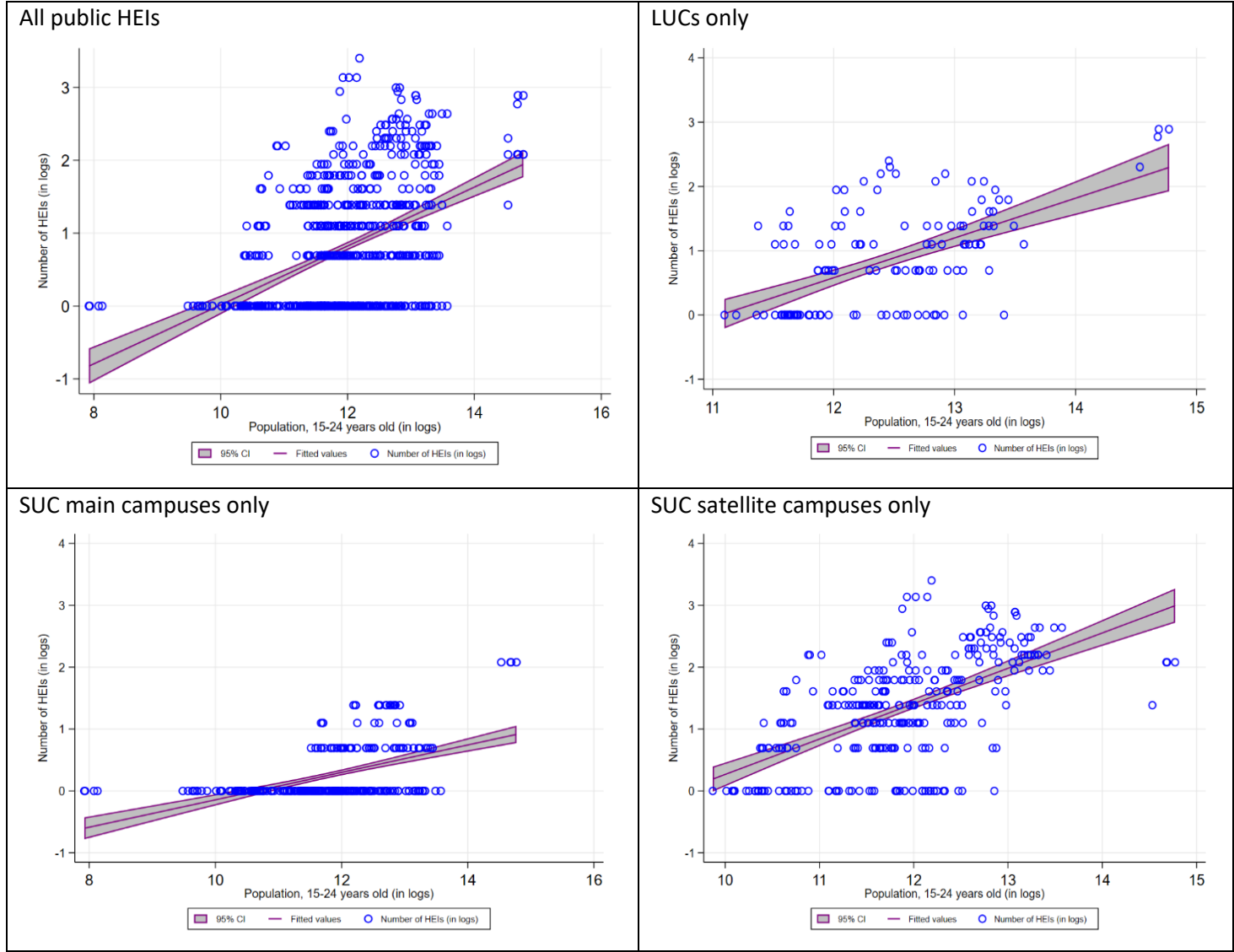
Figure 2A: Difference of the number of HEIs between AY 2005-2006 and AY 2023-2004



Source: Authors’ computation.

Notes: The number of HEIs in AY 2005-2006 were generated from the CHED’s enrollment data, obtained through the EDCOM secretariat. The number of HEIs in AY 2023-2024 were obtained from CHED-OPKRM on June 5, 2024.

Figure 3A: Scatter plot of the number of HEIs against the 15-24 year-old population



Source: Authors' computation.

Notes: The population of 15–24-year-old were obtained from the CPH 2000, 2010, 2015, and 2020. These population data were matched with the number of HEIs in AY2010, AY2015, AY2020, and AY2023, respectively. The number of HEIs were computed based on the data obtained from CHED-OPKRM on June 5, 2024.

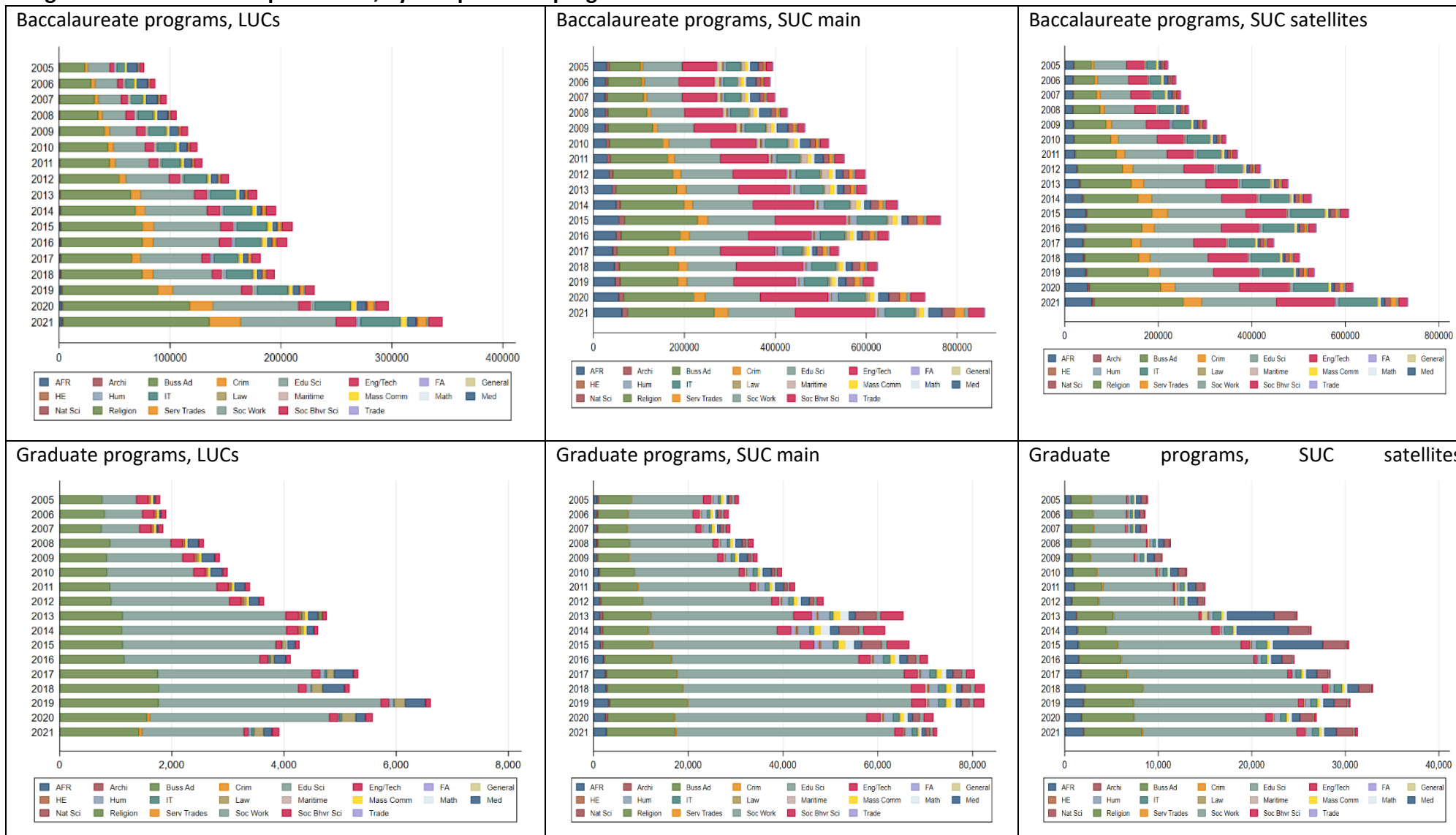


**Figure 4A: Number of programs offered in public HEIs, by discipline and program levels**



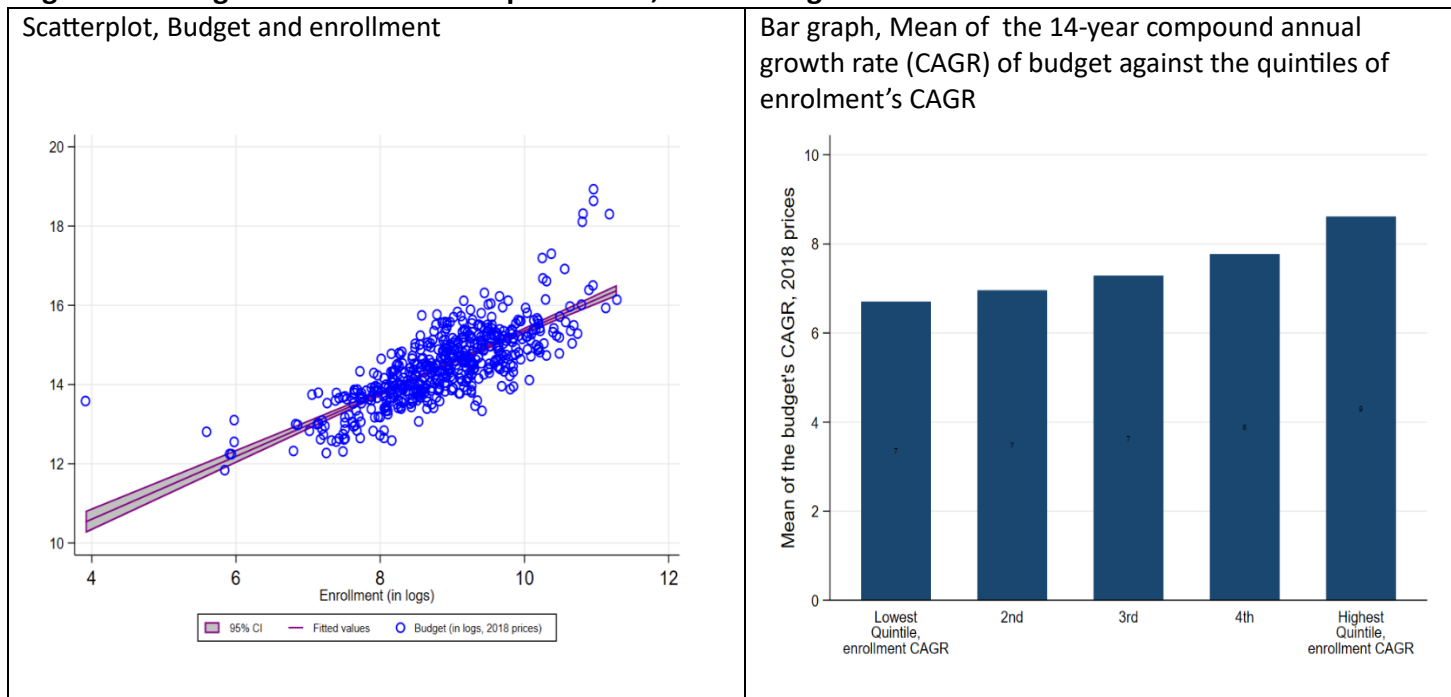
Source: Authors' computation based on the CHED administrative data obtained through the EDCOM2 Secretariat.

**Figure 5A: Enrollment in public HEIs, by discipline and program levels**



Source: Authors' computation based on the CHED administrative data obtained through the EDCOM2 Secretariat.

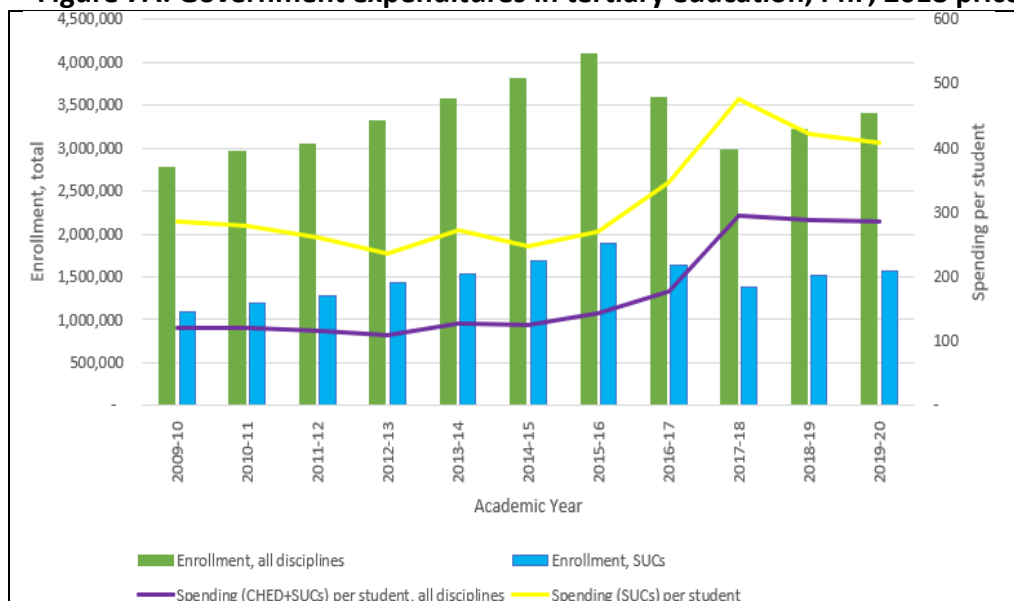
**Figure 6A: Budget and enrollment in public HEIs, levels and growth**



Source: Authors' computation.

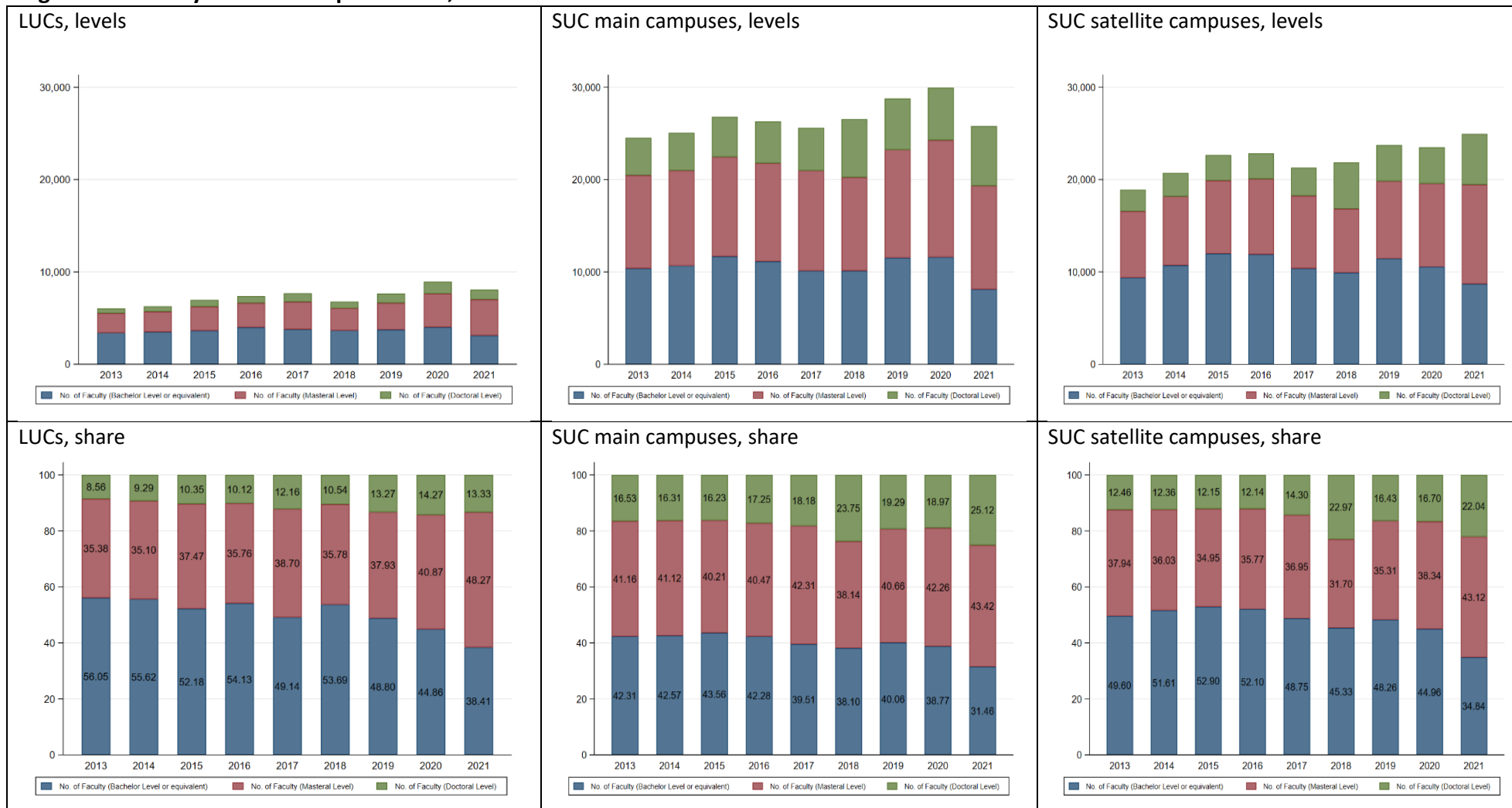
Notes: The scatterplot used the 1) budget data in 2005, 2010, 2015, 2017, and 2019 obtained from the general appropriations-DBM and 2) enrollment data processed using the CHED's enrollment data, obtained through the EDCOM secretariat. The bar graph used the 2005 and 2019 data to compute the CAGR of budget and enrollment. Inclusive intervals of CAGR enrollment quintiles: Q1 -6.19 - 1.35, Q2 1.58 - 3.52, Q3 3.53 - 5.30, Q4 5.36 - 7.59, and Q5 7.61 - 36.44.

**Figure 7A: Government expenditures in tertiary education, Php, 2018 prices**



Source: Spending data: Department of Budget and Management (DBM)-Budget of Expenditures and Sources of Financing; enrollment data: CHED.

**Figure 8A: Faculty members in public HEIs, levels and share**



Source: Authors' computation based on the CHED administrative data obtained through the EDCOM2 Secretariat.

**Table 1A: Provinces with highest increases in LUCs and SUC satellite campuses**

Provinces with highest increases in LUCs, top 15					As % of column (4)	
	Total LUCs AY05-06 (1)	Total LUCs AY23-24 (2)	Difference, LUC (2) - (1)	Difference, total public HEIs (4)	LUC difference	SUC difference
Metropolitan Manila*	10	18	8	12	67	33
Bohol*	2	10	8	9	89	11
Cebu*	1	7	6	11	55	45
Bulacan*	0	6	6	9	67	33
Camarines Sur*	4	9	5	7	71	29
Zamboanga del Sur*	0	5	5	10	50	50
Misamis Oriental	3	7	4	11	36	64
Pampanga*	0	4	4	10	40	60
Oriental Mindoro*	0	4	4	5	80	20
Masbate*	1	5	4	5	80	20
Cavite	0	3	3	9	33	67
Rizal*	1	4	3	4	75	25
Pangasinan*	1	4	3	5	60	40
Compostela Valley	0	3	3	7	43	43
Davao del Norte	0	3	3	3	100	0

Provinces with highest increases in SUC satellite campuses, top 15					As % of column (4)	
	Total SUC satellites AY05-06 (1)	Total SUC satellites AY23-24 (2)	Difference, SUC satellites (2) - (1)	Difference, total public HEIs (4)	LUC difference	SUC difference
Bukidnon**	0	12	12	14	14	86
Zamboanga Sibugay**	1	11	10	10	0	100
Negros Occidental**	8	17	9	9	0	100
Misamis Oriental**	2	9	7	11	36	64
Nueva Ecija**	6	13	7	9	22	78
Pampanga	2	8	6	10	40	60
Cavite	8	14	6	9	33	67
Cebu**	9	14	5	11	55	45
Zamboanga del Sur	1	6	5	10	50	50
Quezon**	9	14	5	6	17	83
Metropolitan Manila	4	8	4	12	67	33
Palawan**	19	23	4	4	0	100
Occidental Mindoro	2	6	4	4	0	100
Tawi-Tawi	1	5	4	4	0	100
Basilan	0	4	4	4	0	100

Notes: The number of HEIs in AY 2005-2006 were generated from the CHED's enrollment data, obtained through the EDCOM secretariat. The number of HEIs in AY 2023-2024 were obtained from CHED-OPKRM on June 5, 2024.

\*Also included in the top 15 provinces in the number of LUCs in AY 2023-2024.

\*\*Also included in the top 15 provinces in the number of SUC satellite campuses in AY 2023-2024.